

SOCIAL AND ECONOMIC IMPACTS OF GAMBLING IN MASSACHUSETTS

UNIVERSITY OF MASSACHUSETTS SCHOOL OF PUBLIC HEALTH AND HEALTH SCIENCES

Results from the Baseline Phase of the SEIGMA Study

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The SEIGMA Study

BACKGROUND



Licenses Awarded



Section 71: Annual Research Agenda

- Three essential elements
 - Understand the social & economic impacts of expanded gambling
 - Baseline study of problem gambling and existing prevention & treatment programs
 - Facilitate independent studies to obtain scientific information relevant to enhancing responsible gambling and minimizing harmful effects.



SEIGMA's 3 Topical Areas

Social & Health Impacts

- General population surveys
- Targeted population surveys
- Online panel surveys
- Secondary data collection

Problem Gambling Services Evaluation

- Online focus groups
- Key informant interviews
- Secondary data collection

Economic & Fiscal Impacts

- REMI modeling using primary & secondary data
- Community comparison analysis
- Profiles of host communities
- Real estate data analysis



Economic & Fiscal Measures

- Business starts & failures
- Business revenue
- Employment
- Unemployment
- Labor force participation
- Household income
- Poverty
- Housing
- Tourism
- Gambling-related revenue
- Government expenditures & revenue
- Public services
- Regulatory costs



Social & Health Measures

- Gambling behavior & related indices
- Problem gambling & related indices
- Attitudes
- Crime
- Leisure activities
- Employment
- Housing
- Education
- Socioeconomic inequality
- Health
- Quality of life



Social & Health Impacts Analysis

PRELIMINARY RESULTS FROM BASELINE POPULATION SURVEY



Survey Methodology

- Sample drawn from a list of addresses
- Respondents could complete online, on paper, or by telephone
- Data collected from Sept. 2013 May 2014
- Sample size of ~10,000



Demographics of Sample

			Baseline sample		Massachusetts 2013 ¹	
		N	%	SE	%	SE
Gender	Female	2,704,784	52.2	0.7	52.3	0.3
	Male	2,476,137	47.8	0.7	47.7	0.3
Age	18-34	1,563,535	31.4	0.7	30.2	0.2
	35-64	2,550,868	51.3	0.7	51.1	0.3
	65+	857,662	17.2	0.4	18.7	0.2
Ethnicity	Hispanic	442,405	8.8	0.5	9.0	0.2
	White alone	3,837,602	76.0	0.6	77.1	0.2
	Black alone	302,730	6.0	0.4	6.1	0.1
	Asian alone	286,044	5.7	0.3	5.7	0.1
	Some other race	43,138	0.9	0.1	0.7	0.0
	alone					
	Two or more races	136,605	2.7	0.2	1.4	0.1

¹U.S. Census Bureau, 2013 American Community Survey PUMS



Demographics of Sample Cont'd...

			Baseline sample		Massachusetts 2013 ¹	
Education	loss than high school	N	%	SE	% 10.1	SE
Education		231,641	4.5	0.3		0.2
	HS or GED	645,944	12.6	0.4	26.2	0.2
	Some college	1,295,612	25.2	0.6	26.8	0.2
	BA	1,501,397	29.3	0.6	21.2	0.2
	MS or professional	1,156,045	22.5	0.5	13.4	0.2
	degree					
	PHD	300,866	5.9	0.3	2.3	0.1
Income	Less than \$15,000	552,223	12.2	0.5	7.4	0.1
	\$15,000-<\$30,000	553,709	12.2	0.5	9.8	0.2
	\$30,000-<\$50,000	652,313	14.4	0.5	13.2	0.2
	\$50,000-<\$100,000	1,344,517	29.7	0.6	30.2	0.2
	\$100,000-<\$150,000	787,658	17.4	0.5	19.1	0.2
	\$150,000 and more	637,623	14.1	0.5	20.4	0.2

¹U.S. Census Bureau, 2013 American Community Survey PUMS



Baseline Population Survey Results

GAMBLING IN MASSACHUSETTS



Definition of Gambling

"We define gambling as betting money or material goods on an event with an uncertain outcome in the hopes of winning additional money or material goods. It includes things such as lottery tickets, scratch tickets, bingo, betting against a friend on a game of skill or chance, betting on horse racing or sports, investing in high risk stocks, etc."



Gambling Activities Included

- Large jackpot lottery tickets
- Instant tickets & pull tabs
- Daily lottery games
- Raffles
- Sports betting
- Bingo
- Casino gambling
- Betting on horse racing
- Betting money against others
- Gambling online



Past-year Gambling Participation by Activity

Gambling participation by activity





Past-year Gambling Participation by Gender, Age, and Race/Ethnicity

Gambling by gender, age and race/ethnicity





Frequency of Gambling Participation by Activity

Frequency of gambling participation by gambling activity





Past-year Casino Participation by Gender, Age, and Race/Ethnicity





States Most Visited for Casino Gambling

States most visited for casino gambling





Patterns of Gambling Participation

• non-gamblers:

 have not participated in any type of gambling in the past year (27.8%);

• past-year gamblers:

 have participated in one or more types of gambling in the past year but not on a monthly or weekly basis (37.9%);

monthly gamblers:

- participate in one or more types of gambling on a monthly, but not weekly basis (19.6%)
- weekly gamblers:
 - participate in one or more types of gambling on a weekly basis (14.7%)



Reasons for Gambling







Baseline Population Survey Results

GAMBLING ATTITUDES



Gambling Legalization

Opinion about legalizing gambling





Current Availability

Gambling opportunities in Massachusetts





Impact of Gambling Expansion on State

Perceived impact of gambling in Massachusetts





Impact of Gambling Expansion on Community

Perceived community impact of gambling in Massachusetts





Baseline Population Survey Results

PROBLEM GAMBLING IN MASSACHUSETTS



Definition of Terms

	Most People		Few People		
Non- Gamblers	Recreational Gamblers	At-risk Gamblers	Problem Gamblers	Severe Problem Gamblers	
	Enjoyment Recreation Socializing	Betting more than planned Spending more time gambling than planned Borrowing \$ to gamble Illusions of control	Impaired control Experiencing negative consequences Affecting family, friends, friends, community	Sustained impaired control Experiencing significant negative consequences Recurring problems over time	



Problem Gambling Prevalence

Problem gambling prevalence





Problem Gambling Status by Gender, Race/Ethnicity, & Education

Problem gambling by gender, race/ethnicity and education





Prevalence by Type of Gambling



Prevalence by type of gambling



Comparing MA to Other States

State	Year	Sample Size	Standardized
			PG Rate
Ohio	2013	3507	0.7
Connecticut	2006	2298	1.1
Kentucky	2008	850	1.1
New Mexico	2005	2850	1.2
New York	2006	5100	1.2
Louisiana	2008	2400	1.3
Georgia	2007	1602	1.4
Michigan	2006	957	1.6
California	2006	7121	1.7
lowa	2013	1826	1.7
Massachusetts	2014	9578	1.7
Maryland	2010	5975	1.9
Oregon	2005	1554	2.1
Washington	2004	6713	2.1



Baseline Population Survey Results

PROBLEM GAMBLING SERVICES EVALUATION



Awareness of Media Campaigns & Programs





Prevention Awareness by PG Status





Desire for Help & Help-Seeking

- Based on their problem gambling scores, some respondents were asked if in the past year:
 - They wanted help for a gambling problem
 - They sought help for a gambling problem
 - If so, how helpful it was
- Too few respondents answered yes to these questions to report out



Measuring Economic & Fiscal Impacts

OVERVIEW OF OUR APPROACH TO ECONOMIC ANALYSIS



Economic Analysis: Objective and Approach

Objective

- Measure and determine the net economic and fiscal impacts of casino facilities at the local, regional, and state level through primary and secondary data collection and analysis
 - Before the new venues open
 - During construction
 - During operations

Research Activities

- REMI modeling
- Host community profiles
- Community comparison analysis
- Real estate analysis
- Lottery data analysis



Measuring Economic & Fiscal Impacts

REMI MODELING



Role of REMI Modeling

- Measures the regional and state impacts of the construction and operation of casinos
- Captures direct impacts from applications and primary data collection
- Calculates the ripple effects of the direct impacts on six substate areas and the Commonwealth





Primary Data Collection for REMI Model

- Construction data obtained for Plainville
- New employee questionnaires developed and implemented by M.G.C.
- Operator data being collected for employees, payroll, vendor spending
- Patron / visitor survey being developed



Measuring Economic & Fiscal Impacts

HOST COMMUNITY PROFILES



Host Community Profiles





Plainville Fiscal Indicators

Plainville's Government Expenditures with Tax Levies by Class FY2003-FY2013 (2013 dollars, millions)



Measuring Economic & Fiscal Impacts

COMPARISON COMMUNITY ANALYSIS



How this Approach Works

- Choose a community or set of communities that are economically and demographically similar but do not have a casino and are not influenced by the casino
 - Set criteria for matching
 - In New England, New York, or New Jersey
 - Not within 25 miles of existing casino
 - Similar population size
 - Similar per capita income
- Select the 5 best matches
- Compared with casino community to improve estimation of economic impacts



Host and Matched Communities



Measuring Economic & Fiscal Impacts

LOTTERY DATA ANALYSIS



Lottery Data

- Few studies of lottery data exist
- Existing studies explore the extent to which lotteries and casinos substitute one another
- Early studies find greater substitution
 - As casino tax revenue increases, net lottery revenue decreases
- Later studies present a more nuanced picture
 - Less of an impact on the lottery when state lottery funds are earmarked for specific purposes
 - Impact depends on the type of lottery game



SEIGMA Overview

NEXT STEPS



Continued Analysis and Reporting

- Deeper analysis of baseline survey data
- Analysis of targeted population surveys
- Analysis of online panel survey
- Wrap up baseline evaluation of problem gambling services
- Continued collection of secondary data
- Sharing results
 - Baseline survey report
 - Host community profiles
 - Secondary data trends



Next Steps

SHARING RESULTS



Access SEIGMA Reports at:

www.umass.edu/seigma/reports

www.umass.edu/seigma/data



Data

In addition to the primary data that the SEIGMA Research Team has been collecting since the start of our project, we have also been collecting an enormous amount of publicly available secondary data. These data give us a broader contextual picture of what the state of Massachusetts looks like before the introduction of new gambling venues. As a research team, we will use these data to triangulate and add insight into our findings from primary data that we have collected through a series of surveys. However, because we thought these secondary data are of interest to a broader audience we have created a series of interactive web apps that when clicked below, will allow you to take a look at and interact with information on demographics, educational attainment, and poverty rates statewide. You can view the data in tables, plots, and maps. You can also look at a particular community and compare communities to one another as well as to the state of Massachusetts and the US. Click on the links below to access the applications.

Demographics Educational Attainment Household Income



SEIGMA Overview

CLOSING REMARKS

