

Legislation would legalize casinos and slots in Texas

Austin – Call it gambling for college kids' future.

Sens. Rodney Ellis, D-Houston, and John Carona, R-Dallas, today touted a proposed constitutional amendment that would legalize resort casinos in Texas and allow video lottery terminals – VLTs, or slot machines – at existing racetracks.

An estimated USD 3.5 billion to USD 4 billion would be generated annually, with plans for USD 1 billion of that to be dedicated to TEXAS Grants and other higher education financial aid programs, according to Ellis' office.

Ellis and Carona discussed details of Senate Joint Resolution 45 and Senate Bill 1359 at a news conference today. The proposed amendment would require approval of two-thirds of the Legislature before going on a statewide ballot for consideration.

Although the number of casinos could change, the proposal would allow seven in urban areas, two on islands in the Gulf and three whose location would be determined by a new Texas Gaming Commission. It would allow VLTs at eight racetracks, five horse tracks and three dog tracks.

Proposals to expand gambling have been pushed unsuccessfully before when lawmakers faced tighter budget times than they do now. But this year's Legislature isn't resting easy financially despite an estimated \$ 14.3 billion in new revenue over the next two-year budget period.

Lawmakers are grappling with the need to subsidize billions in promised local school property tax relief, not only in the coming budget but far into the future. Fresh revenue demands also keep cropping up, including a ruling in a Medicaid

lawsuit that some leaders say could require USD 1 billion to USD 5 billion from the state.

In addition, a potentially higher federal minimum wage could cost the state more than USD 300 million because some who provide services to the state under contract would need more money to meet the new minimum, said Rep. Warren Chisum, R-Pampa, Appropriations Committee chairman.

That is in addition to the services that normally cost the state more money, such as growth in school enrollment. Still, Chisum isn't betting on the circumstances changing the gambling debate.

„Probably not. Fortunately or unfortunately, the state's got a lot of money in the bank right now,“ he said. „Most of this stuff we're going to be able to do it, so I don't think that changes the gambling issue.“

Opponents of a gambling expansion say it would bring a slew of problems, including more gambling addiction. Supporters say Texans already gamble in neighboring states, at tracks and through the Texas Lottery, so the state already has any associated ills without the extra revenue that legal, expanded gambling could bring.