Studying the Social and Economic Impacts of Expanded Gambling in Massachusetts

Rachel A. Volberg

10th European Conference on Gambling Studies & Policy Issues
9-12 September 2014
Statutory Research Activities

- Massachusetts Legislature
- Gaming Policy Advisory Committee
- Annual Research Agenda
  - Annual Recommendations to MA Legislature (Based on empirical evidence)
- Massachusetts Gaming Commission
- Baseline Impact Study
- Social & Economic Impact Study
  - Individual Studies
- Gaming Revenue Fund (5% goes to PHTF)
- Public Health Trust Fund ($5 million in annual fees from licensees)
- MA DPH
- Customer Tracking Data
  - Responsible Gambling Framework
  - Self-Exclusion Program
  - Cashless Wagering System

SEIGMA
Social and Economic Impacts of Gambling in Massachusetts
University of Massachusetts School of Public Health and Health Sciences
A Virtuous Circle?

MA Gaming Commission

MA Dept Public Health

Advisory Committees

Public Health Trust Fund

Research Agenda
SEIGMA Overview

Executive Team

Project Manager

Data Manager

Data Management Center

Social & Health Impacts Analysis
- General Population Surveys
- Targeted Population Surveys
- Online Panel Surveys
- Secondary Data

Economic & Fiscal Analysis
- Secondary Data
- Gambling Venue Data
- Patron Surveys
- License Plate Surveys
- Focus Groups
- Key Informant Interviews

Problem Gambling Services Evaluation
- Helpline Data Analysis
- Key Informant Interviews
- Focus Groups
- Clinical Data

SEIGMA SOCIAL AND ECONOMIC IMPACTS OF GAMBLING IN MASSACHUSETTS
UNIVERSITY OF MASSACHUSETTS SCHOOL OF PUBLIC HEALTH AND HEALTH SCIENCES
Timing of Data Collection

2013-2014
Baseline Data Collection
- General pop. survey
- Targeted pop. surveys
- PG services eval.
- Secondary data collection

2015-2017
Construction & Operations Data
- Gaming venue data collection
- PG services eval.
- Secondary data collection

2018
Operational Phase
- General pop. survey
- Targeted population surveys
- Gaming venue data collection
- PG services eval.
- Secondary data collection

2019...
Ongoing Data Collection & Monitoring
- Primary data
- Secondary data
Overview

SOCIAL & HEALTH IMPACTS ANALYSIS
Social & Health Indicators

- Problem Gambling & related indices
- Gambling-related crime
- Leisure activities
- Housing
- Education
- Socioeconomic inequality
- Attitudes about gambling
- Quality of life
- Health
- Transportation
- Environment
Data Collection

Primary Data Collection:
• General Population Surveys
  – n=10,000
  – Addressed-Based Sampling Approach
  – Multi-mode interviews
• Targeted Population Surveys
  – n=1,000 in each set of host & surrounding communities
  – Same methodology as GPS
• Online Panel Survey
  – n=5,000

Secondary Data Collection:
• Data Sources:
  • Behavioral Risk Factor Surveillance System (BRFSS)
  • American Community Survey (ACS)
  • All Payer Claims Database
  • Acute Hospital Case Mix
  • Other sources as needed
Key Findings

• Public attitudes towards gambling
• Current gambling behavior/participation rates
  – Demographics, frequency, expenditures
• Population prevalence of problem gambling
• Substance abuse and mental health comorbidities of people with gambling problems
• Other difficulties that people with gambling problems face
• Community-specific impacts of gambling expansion
• The types of crime attributable to new gambling venues
# Utility of Key Findings

<table>
<thead>
<tr>
<th>Category</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Attitudes</td>
<td>• Target awareness &amp; prevention campaigns</td>
</tr>
<tr>
<td>Gambling Participation</td>
<td>• Target prevention &amp; intervention</td>
</tr>
<tr>
<td></td>
<td>• Monitor uptake of new forms of gambling</td>
</tr>
<tr>
<td>Prevalence</td>
<td>• Ensure sufficient treatment options exist</td>
</tr>
<tr>
<td>Comorbidities</td>
<td>• Tailor clinical screening &amp; treatment</td>
</tr>
<tr>
<td>Community-Specific Impacts</td>
<td>• Target resources to mitigate community impacts</td>
</tr>
</tbody>
</table>
Overview

ECONOMIC & FISCAL IMPACTS ANALYSIS
Economic & Fiscal Indicators

- Government revenue
- Public services
- Regulatory costs
- Business starts & failures
- Business revenue
- Tourism
- Personal income
- Employment
- Housing
- Infrastructure value & costs
- Origin & costs of gambling supplies & servicing
Primary Data Collection:
• Collected directly from the casino operations to track direct impacts
  – # of employees
  – Wages
  – Construction investment
  – Local expenditures
• Modeled with REMI to isolate economic impacts & assess accuracy of forecasts

Secondary Data Collection:
• Collected primarily from government agencies to track conditions over time
  – Unemployment
  – Household income
  – Property values
  – Business starts/failures
• Examine trends before/after casinos & compare with other regions/localities
Key Findings

• How many **jobs** are being created at the casino facilities and other Massachusetts businesses

• What is the **nature** of these jobs
  – Average wages, # of workers previously unemployed, # of workers who relocated to MA

• To what extent does this represent **net new economic activity** (rather than displacing jobs at existing businesses)

• How much **net new revenue** do casinos contribute to Massachusetts

• How the casino facilities affect **host and surrounding communities**
  – Job growth, unemployment rates, household income

• Whether payments to host & surrounding communities and other economic effects **offset** additional public services related to casino operations
Utility of Key Findings

Job Creation/Displacement
- Monitor workforce development goals
- Modify/set new workforce development goals
- Monitor host & surrounding community agreements

Impact on Communities
- Monitor workforce development goals
- Monitor host & surrounding community agreements
- Plan future budgets & development projects

State Revenue Generated
- Plan future State budgets & development projects

Benefits vs. Costs
- Plan future State & community budgets & development projects
- Target resources to mitigate negative impacts
Overview

PROBLEM GAMBLING SERVICES EVALUATION
Data Collection

Primary Data Collection:
- Analysis of items from General Population and Online Panel surveys
- Focus groups with treatment providers
- Key Informant interviews

Secondary Data Collection:
- MCCG Helpline data analysis
- Retrospective clinical data analysis
Key Findings

- What prevention and treatment services currently exist in Massachusetts
- Who is using these services
- How adequately these services address and mitigate impacts of problem gambling
- How existing services match up with best practices in problem gambling prevention, intervention, treatment & recovery
Utility of Key Findings

### Existing Services
- Ensure existing services sufficient for # of problem gamblers (PGs)
- Ensure services are geographically dispersed

### Service Use
- Determine that existing services are sufficient for # of PGs
- Build the capacity of service providers to treat PGs
- Tailor treatment services

### Adequacy of Services
- Ensure availability and affordability of services
- Strengthen effectiveness of services

### Use of Best Practices
- Ensure that services match with best practices for greater effectiveness
- Improve service provider training
Role of the Data Management Center

- Create Data Management Plan
- Collect, clean, and store all SEIGMA data
- Create Data Use Agreements
- Ensure Institutional Review Board compliance and ethical integrity
- Determine what data can be shared with whom and share data as widely as possible
- Share key findings and results of SEIGMA analysis in unique ways
SEIGMA's Annual Meeting

Amanda Houpé, Social and Economic Impacts of Gambling in Massachusetts (SEIGMA) Project Manager, reports on the recent Annual Meeting of the team, held at the University of Massachusetts Amherst.

For most Americans, mid-April marks tax season and the return of spring. For the SEIGMA Research Team, April has additional significance as the anniversary of our projects start date. It’s hard to believe it, but just a little over one year ago, the SEIGMA study launched. The team has been a flurry of activity ever since. To commemorate the one year anniversary of the project, we held a three-day meeting on April 14-16. Expert advisors, principal investigators, team members, and members of the Massachusetts Gaming Commission convened in Western Massachusetts to update each other on progress made, collaborate, and plan for the next year.

Read more
### Sharing Results: Trends

#### Unemployment Rate

<table>
<thead>
<tr>
<th>Year</th>
<th>MA</th>
<th>US</th>
</tr>
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<tbody>
<tr>
<td>2002</td>
<td>5.3%</td>
<td>5.8%</td>
</tr>
<tr>
<td>2003</td>
<td>5.8%</td>
<td>6.0%</td>
</tr>
<tr>
<td>2004</td>
<td>5.2%</td>
<td>5.5%</td>
</tr>
<tr>
<td>2005</td>
<td>4.8%</td>
<td>5.1%</td>
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<tr>
<td>2006</td>
<td>4.8%</td>
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<tr>
<td>2007</td>
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<td>2008</td>
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<td>5.8%</td>
</tr>
<tr>
<td>2009</td>
<td>8.2%</td>
<td>9.3%</td>
</tr>
<tr>
<td>2010</td>
<td>8.3%</td>
<td>9.6%</td>
</tr>
<tr>
<td>2011</td>
<td>7.3%</td>
<td>8.9%</td>
</tr>
<tr>
<td>2012</td>
<td>6.7%</td>
<td>8.1%</td>
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#### Relative Percent Change 2002-2012

- MA: 27.2%
- US: 39.7%

#### Labor Force Participation Rate

<table>
<thead>
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<th>MA</th>
<th>US</th>
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<tbody>
<tr>
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<td>68.4%</td>
<td>66.6%</td>
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<tr>
<td>2003</td>
<td>67.7%</td>
<td>66.2%</td>
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<tr>
<td>2004</td>
<td>67.0%</td>
<td>66.0%</td>
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<tr>
<td>2005</td>
<td>66.8%</td>
<td>66.0%</td>
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<td>2006</td>
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<td>2011</td>
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<td>64.1%</td>
</tr>
<tr>
<td>2012</td>
<td>65.0%</td>
<td>63.7%</td>
</tr>
</tbody>
</table>

#### Relative Percent Change 2002-2012

- MA: -4.9%
- US: -4.3%
Sharing Results: Maps

2012 High Needs (%) by Municipality

No Data Available
Utility of the Data Management Center

Managing Data
- Ensures that results are accurate, reliable, and replicable

Ensuring Ethical Integrity
- Limits harm to human subjects
- Ensures the integrity of SEIGMA Team and its findings

Sharing Data
- Other researchers will be able to replicate our analyses
- Other stakeholders and researchers will be able to conduct unique analyses.

Sharing Results
- The general public will be able to examine impacts within their own communities
For more information, visit:

www.umass.edu/seigma