



The Commonwealth of Massachusetts  
Office of State Senator Katherine Clark  
State House, Boston 02133

## **Expanding Gaming in the Commonwealth** Senator Katherine Clark

Last week the Senate debated and passed an expanded gaming bill for Massachusetts. I do not believe that casinos represent the only – nor the best – path to revenue growth and job creation in Massachusetts. However, when structured and implemented responsibly, I believe casinos can represent one piece of a comprehensive economic growth strategy for our state.

In debating expanded gaming in the Commonwealth, my primary concern was how the bill would affect communities, schools, small businesses and vulnerable populations, including those who struggle with gambling addiction. This legislation has a comprehensive site community mitigation program, protection and funding for cultural programs and theaters, incentive for using sustainable energy construction, and a comprehensive approach to address compulsive gambling that includes measures available nowhere else in the country. The bill also expands workforce development programs and supports our community college system, both of which will help create jobs and educational opportunities well beyond the gaming industry.

I sponsored several successful amendments to further mitigate the impact of casinos on our communities. The first amendment would help school districts struggling with inequities under the current education funding formula. The current formula for determining state aid to an individual school district (known as Chapter 70 funding) is based on a legacy system put in place in 1992. In many cases, the demographics and needs of cities and towns have changed dramatically since then. As a result, many districts are paying more than their fair share of education expenses.

In 2007, a new formula was established that sets a goal for state aid – known as “target” aid. This new formula takes into account factors such as student population needs, property value changes, and income. While we’ve made some progress in closing the funding gap, the loss of state revenues since 2008 has meant that 165 school districts still receive less than their target aid level, including several in our district.

This new revenue source represents a unique opportunity to fix historical inequities, while protecting communities that currently receive aid at their target level. This amendment would ensure that new revenue designated for education is prioritized to bring underfunded school districts closer to their target aid levels. While there is still much work to be done to ensure adequate education funding for all communities, it would address a significant inequity for school districts who contribute more than is fair. The amendment also explicitly calls for new gaming revenues to be used to support early education.

In addition to making sure that new state revenues from casinos support our schools, I also sponsored a successful amendment that will allow the state to use funds set aside for debt reduction to reduce our unfunded pension liabilities, estimated at \$30 billion over the next 30 years. Recent pension reform legislation would reduce our future liabilities by \$5 billion, but approximately \$25 billion would remain, and that amount would come at the expense of taxpayers in increased pension appropriations in out-year budgets. This amendment would help to ensure that new revenue from casinos would be channeled towards reducing these future obligations.

If casinos are coming to the Commonwealth, we need to ensure the structure is in place to protect our most vulnerable, create new jobs in a range of sectors and industries, and use the revenues to protect our critical local services. This bill takes significant steps in putting those protections in place.