

# LEGALIZED VIDEO GAMING TERMINALS WILL DELIVER FAIR SHARE OF PROFITS TO LOCATIONS AND LOCAL GOVERNMENT



The Pennsylvania General Assembly continues to eye the legalization of video gaming terminals (VGTs) in liquor licensed establishments.

In March, House Bill 271 and Senate Bill 628 were introduced and have been on the move ever since. Most recently, the House Gaming Oversight Committee held a hearing on this very topic. It was made clear that the proposed “Illinois Model” to legalize and regulate VGTs would deliver significant revenue to state and local governments, location owners, and route operators.

## THOUSANDS OF ILLEGAL VGTs EXIST IN PA

It’s estimated that anywhere between 15,000 and 40,000 illegal VGTs are currently operated out of bars, restaurants and clubs across the Commonwealth. Not only are these machines breaking the law, they have no regulation or oversight and don’t contribute to state and local share. Furthermore, location owners abiding by the law are unable to take advantage of this new revenue opportunity to grow their businesses.

This is not an issue of allowing VGTs to enter Pennsylvania; they are already here, being illegally operated with zero oversight or accountability. This is an issue of taking control, implementing

complete accountability, and establishing a level playing field for all parties who stand to benefit from this added revenue.

## DELIVERING LOCAL SHARE TO ALL 67 COUNTIES

Most compelling is the fact that when VGTs are made legal across the entire Commonwealth, every single county will benefit from 4 percent local share. This is in stark contrast to the profit-sharing model of casinos, where only counties with a casino in their border see any local tax revenue from these billion dollar businesses.

## NEW REVENUE FOR LIQUOR LICENSED LOCATIONS

Pennsylvania’s recent changes in business regulations, smoking laws and liquor taxes in some municipalities have really hampered the profitability for liquor licensed locations. These small businesses bring in millions in tax revenue for Pennsylvania, but are currently being denied a substantial revenue opportunity. If VGTs are legalized, the value of liquor licenses would increase dramatically.

The proposed operator-based model is based upon Illinois’s successful legalization of VGTs. Looking back to Illinois, a few short years into the

implementation, many locations are now putting money back into their businesses. For the first time in years, many locations have become more profitable and are able to make capital improvements. The same could be true for businesses here in Pennsylvania.

## A SMART BET FOR PENNSYLVANIA

The small businesses, operating responsibly with a state-granted liquor license, can and should be utilized to produce much needed revenue for the Commonwealth. This will help our mom and pops to remain a viable employer of over 100,000 Pennsylvania citizens annually, while bringing Pennsylvania up to speed with states like Illinois who are already reaping the benefits of legalized VGTs in their bars and taverns.

Simply put, the legalization of VGTs will shield taxpayers from fee increases and loss of programs, bring in hundreds of millions of dollars a year to the state, ultimately decrease the amount of gaming machines in the Commonwealth while eliminating the illegals, and bring much needed oversight to the industry. ■

*For more information on the legalization of VGTs in Pennsylvania and how to voice your support visit [www.pavga.org](http://www.pavga.org).*

**VIDEO GAMING  
TERMINALS IN PA  
EQUALS LOCAL  
SHARE FOR**

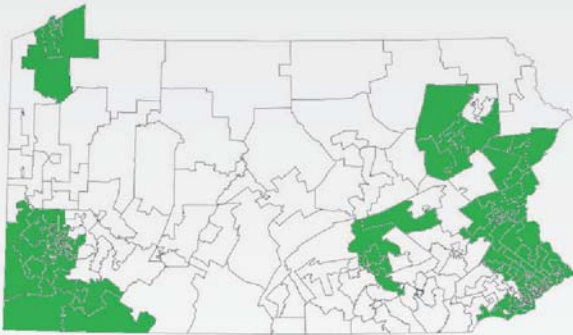
**ALL**

**67**

**COUNTIES**

## **IT'S TIME WE LEVEL THE PLAYING FIELD FOR OUR BARS & RESTAURANTS**

Take a look at the map below. If your county isn't highlighted in green, this means the billion dollar casinos operating around the state aren't paying a cent of local share to your county!



### **THINK ABOUT THIS:**

Many of your local patrons have likely visited one or more casino in PA, spending money they could be spending in your establishment.

### **NOW ASK YOURSELF:**

Why are casinos allowed to compete with my business by serving food and alcohol, yet I'm not allowed to legally place a video gaming terminal in my location to increase my revenue?

## **LEGALIZATION OF VIDEO GAMING TERMINALS IN PA IS THE SOLUTION WE NEED TO...**

- Eliminate the thousands of illegal VGTs that currently exist
- Bring complete transparency and accountability to the industry
- Generate over \$1.1 billion in total annual revenue that will be shared by the Commonwealth, local governments, location owners, and VGT operators
- Deliver local share to ALL 67 counties
- Provide locations with substantial revenue to grow their businesses and attract more patrons

## **TAKE ACTION NOW TO HELP LEGALIZE VGTs!**

- ▶ **FIND** your legislators' contact information by visiting [www.PAVGA.org](http://www.PAVGA.org).
- ▶ **CONTACT** your local legislators to tell them to support **House Bill 271** and **Senate Bill 628** to legalize VGTs!



[www.pavga.org](http://www.pavga.org)

*Legalizing VGTs is not an option, it's a necessity to help Pennsylvania and its hardworking businesses thrive. Make your voice heard today!*