

State-owned casino is a bad gamble - Opinion

Written by Administrator

Monday, 12 November 2012 10:03 -

Pennsylvania's government and the private casino industry already have a symbiotic relationship, with the government playing pilot fish to the casino shark.

Now, U.S. Rep. Bob Brady of Philadelphia wants to eliminate even that distinction between the parties. He has proposed that the Philadelphia government itself build and operate the last casino to be licensed by the state. Revenue would be used to fund schools and municipal pensions.

Mr. Brady described his idea as a "no-brainer" with "absolutely no downside than I can think of." But it's a bad idea on multiple levels.

To begin with, casino licensing hardly has been a smooth process over the last six years. A key to making it so is minimizing the politics inherent in the process, which would be impossible if the state's largest municipal government, with the state's largest legislative delegation, seeks its own license in competition with at least five other developers who have expressed an interest in the last available license.

The foundation of licensing, regulation and enforcement is that the government is, at least legally, separate from the industry. Blurring that line can only cause problems.

Giving Philadelphia a license also would put the municipal government directly in competition with private-sector competitors, including another casino already operating in Philadelphia, one at Philadelphia Park and another in Chester County. Those private investors did not plan on competing with the government when they petitioned the government and paid handsomely for their licenses.

Pennsylvania has had enough problems regulating the casino industry in the public interest without exponentially increasing political pressure by throwing Philadelphia into the mix. Mr. Brady's idea is a bad bet that the Legislature should reject.

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