



CITY OF PORTSMOUTH
Office of the Mayor

Shannon E. Glover
Mayor

January 27, 2023

The Honorable James A. Leftwich, Chair
And Members of the General Laws Committee
c/o Pocahontas Building, Room W232
900 East Main Street
Richmond, Virginia 23219

Dear Chair and General Laws Committee Members,

As you may be aware, Rivers Casino Portsmouth opened its doors this past Monday, January 23rd. It is a source of great pride for me personally and for the citizens and leadership of Portsmouth to have contributed to the development of the first permanent casino in the Commonwealth of Virginia. And that development will soon have a very tangible financial benefit for our citizens, as the City anticipates receiving fifteen million dollars a year to bolster our schools, our public safety, and our other civic needs.

None of this would have been possible without the hard work of the General Assembly, which crafted thoughtful and balanced legislation to govern casino gaming. I cannot thank you enough for taking the actions that were necessary for the dream of a Portsmouth casino to become reality.

I am writing today in an effort to ensure that the benefits the General Assembly intended to accrue to Portsmouth remain protected. As you are aware, the last several years have seen a proliferation of machines variously referred to as 'gray games', 'skill games', and the like throughout Virginia.

These games are now in nearly every gas station and convenience store and are direct competition for casinos. But while casinos are required to make an investment of at least \$300 million, produce numerous jobs for Virginians, provide contracting opportunities for minority and women-owned businesses, and provide restaurant and other amenities for the public, 'gray games' require virtually no investment, provide virtually no employment or contracting benefits, and provide no new amenities. In essence, gray games allow the operator to receive all the financial benefits of gaming without making any contribution to the public good. They proliferate all of the ills that made Virginia hesitant to allow gaming for so many decades, while providing none of the benefits that led the General Assembly to finally authorize casino gaming.

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As you know, the Virginia General Assembly has attempted to make gray games, skill games, etc. illegal in the past but enforcement is currently stayed by judicial action. Under the circumstances, it may appear wise to forge a compromise: to allow these games, but to tax them and derive revenue for the Commonwealth. It is my belief that such a compromise would be extremely short-sighted. It would limit the gross revenue of casinos and thus the tax revenue received by Portsmouth and the other casino gaming cities (all of which were selected due to financial need); it would provide no meaningful social or employment benefit for Virginia citizens; and it would cement the proliferation of gambling in the state in a manner that the selection of a small number of localities as casino host cities was designed to prevent.

In closing, I thank you again for all your efforts to make Rivers Casino Portsmouth possible, and I urge you to oppose any effort to diminish the anticipated benefits from this incredible success, especially through the legalization of gray games, skill games, or the like.

Sincerely,


Shannon E. Glover
Mayor

C: Portsmouth General Assembly
Portsmouth City Council
Mimi Terry, Interim City Manager
Lavonda Graham-Williams, City Attorney