

DISCLAIMER

Electronic versions of the exhibits in these minutes may not be complete.

This information is supplied as an informational service only and should not be relied upon as an official record.

Original exhibits are on file at the Legislative Counsel Bureau Research Library in Carson City.

Contact the Library at (775) 684-6827 or library@lcb.state.nv.us.



A GLIMPSE OF GAMING IN NEVADA

FEBRUARY 2003

NRA Principles

- Broad-based, equitably distributed throughout the business community
- No single-source
- Gaming will participate equally with other business
- Protect small business

National Gaming Profile

- Today, 48 states have some form of legalized gaming.
- There are 17 gaming sites within a 250 mile radius of Las Vegas.
- Casino gaming is now within a four-hour drive of every major U.S. city.

Sources: American Gaming Association; Bear Stearns & Co. Inc. 2011 Gaming Awareness UICVA

New Gaming Legislation

- 19 states are actively discussing new gaming legislation, primarily to offset projected budget shortfalls for fiscal 2004 totaling more than \$40 billion:

Florida – Expansion of gaming at racetracks

Illinois – Expand casino gaming

Ohio – Allow video lottery terminals, blackjack and video poker at racetracks; riverboat gaming

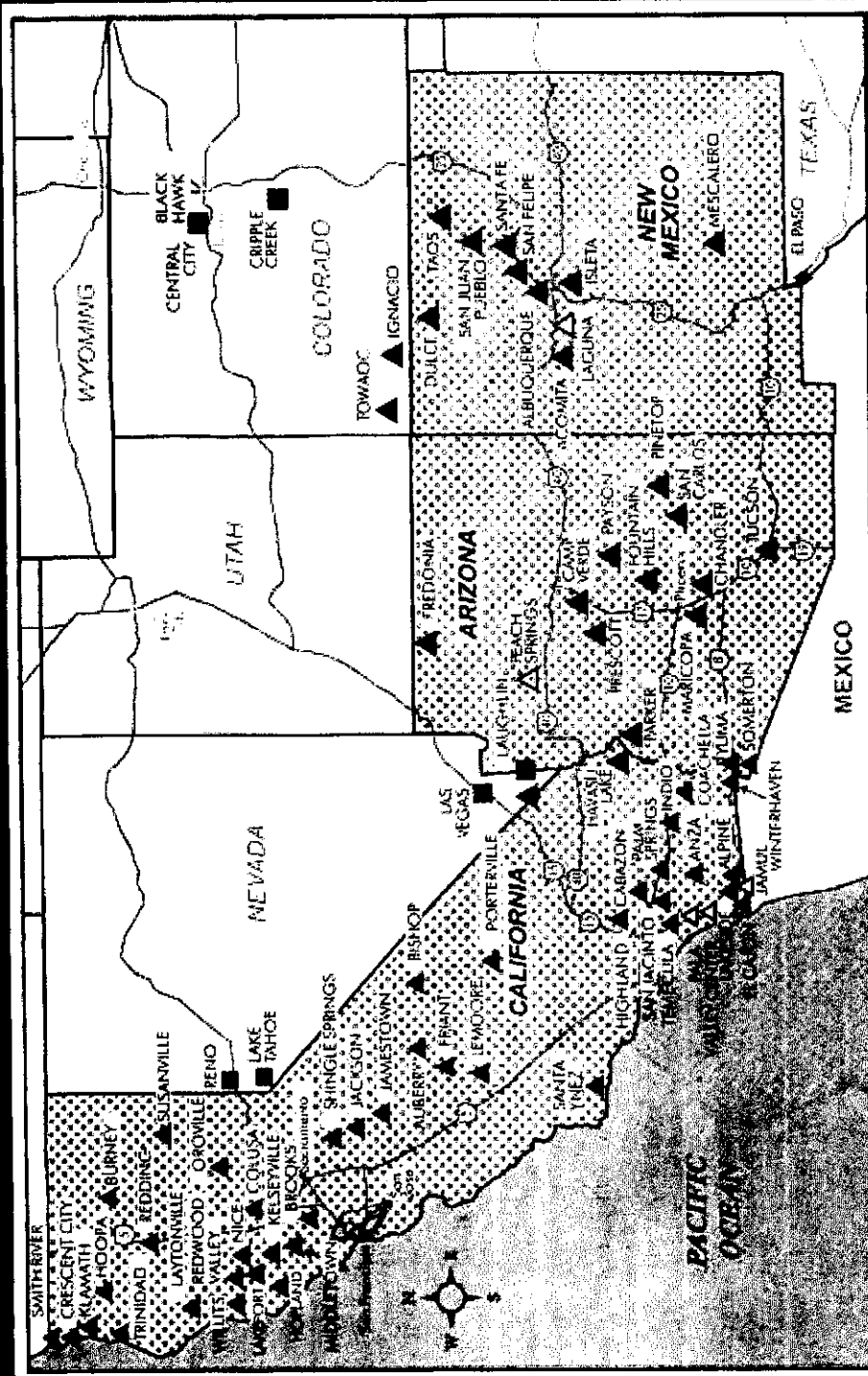
Maryland – Reviewing gaming

Pennsylvania – Add video slot machines to racetracks

Rhode Island – Allow casino gaming

Texas – Allow video gaming; convert Astrodome to casino

Sources: "The States Take the Bet," The Washington Post, Jan. 12, 2003



Gaming Sites CALIFORNIA, ARIZONA, NEW MEXICO

California Gaming Growth

- 50 tribes
- 49,000 slots as of year-end 2002
- Current compacts allow for up to (Clark County has 151,800 slots as of January 2003)
- Gov. Davis to begin renegotiating new tribal compacts in March 03:
 - Tribes want to expand; more slots
 - Governor wants more revenue sharing; goal of annually from tribes

California Gaming Profile

Los Angeles

- 9 Indian gaming properties
- 2005 market potential:
 - Nearly 46 million gaming visits by 2005
 - Generate \$2.3 billion in gaming revenue in California

Northern California

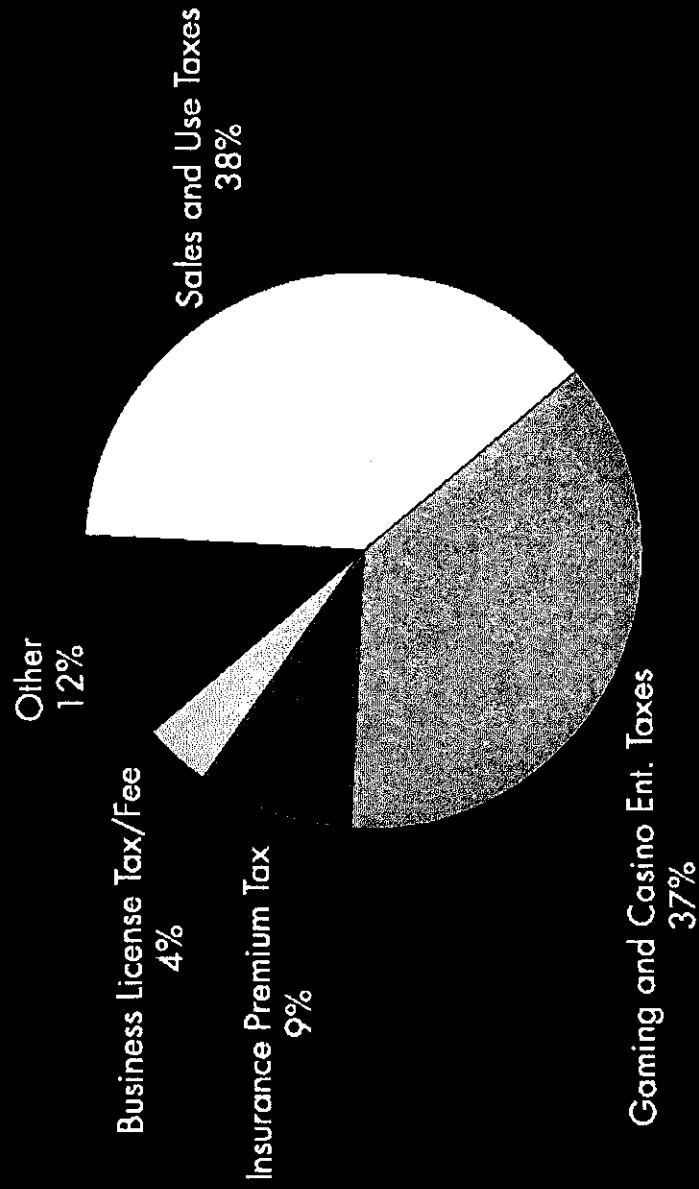
- 18 Indian gaming properties
- 2005 market potential:
 - Nearly 12 million gaming visits
 - Generate \$605 million in gaming revenue in California

Arizona Gaming Profile

Arizona

- 19 Indian gaming properties, most near Phoenix & Scottsdale
- 2005 market potential:
 - More than 14 million gaming visits
 - Generate \$665 million in gaming revenue

General Fund Revenue Sources 2001 - 2003



Source: Legislative Appropriations Report

November Statistics: Gaming win increases slightly

Governor calls figures bleak

By Jeff Simpson

Control board statistical analyst Frank Streshley said the November numbers also benefited from particularly good casino luck at baccarat, the high rollers' game of choice.

Strip baccarat tables won \$37.2 million in November, a 240.2 percent jump from \$15.5 million in November 2001. "Excluding baccarat, the Strip would have been down 1.5 percent instead of up 6.1 percent," Streshley said.

Strip baccarat tables reported a big jump in hold percentage, to 30.5 percent from 9.2 percent. Streshley said 18 percent is an average baccarat hold.

"Last year was an extreme low, this year was an extreme high," he said.

A GLIMPSE OF GAMING IN NEVADA

Nevada Industrial Employment 1977 and 2001

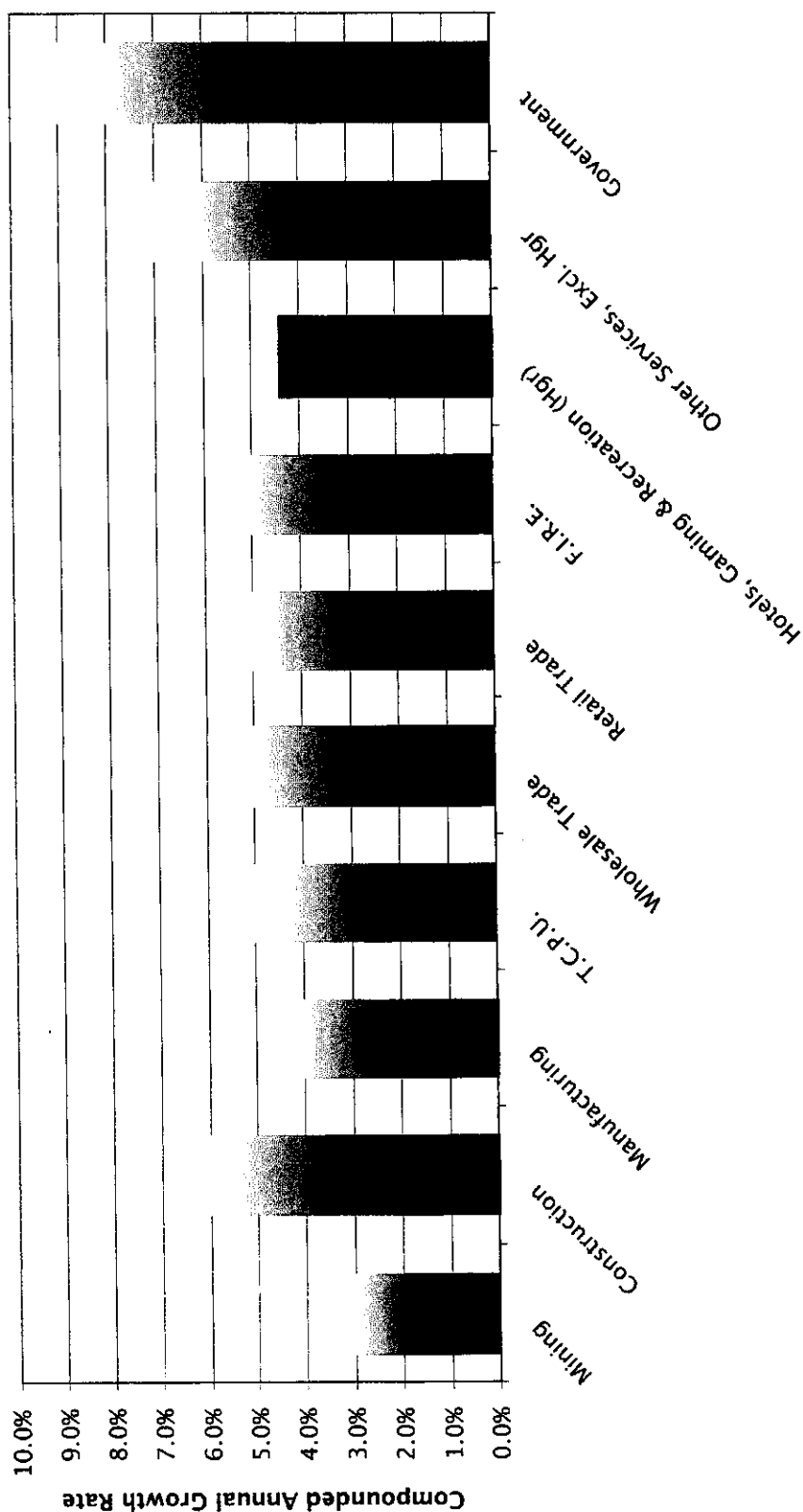
Industry	Share of		Share of		Absolute		CAGR (1)
	1977	Total	2001	Total	Change	% Change	
Agriculture, Forestry, Fishing	890	0.3%	11,376	1.1%	10,486	1178%	11.2%
Mining	4,343	1.6%	10,010	1.0%	5,667	130%	3.5%
Construction	19,814	7.4%	89,195	8.5%	69,381	350%	6.5%
Manufacturing	15,128	5.6%	46,221	4.4%	31,093	206%	4.8%
T.C.P.U.	17,262	6.4%	56,796	5.4%	39,534	229%	5.1%
Wholesale Trade	10,116	3.8%	39,027	3.7%	28,911	286%	5.8%
Retail Trade	51,130	19.0%	181,817	17.4%	130,687	256%	5.4%
F.I.R.E.	12,615	4.7%	49,332	4.7%	36,717	291%	5.8%
Hotels, Gaming & Recreation (Hgr)	87,034	32.3%	241,568	23.1%	154,534	178%	4.3%
Other Services, Excl. Hgr	36,604	13.6%	195,028	18.7%	158,424	433%	7.2%
Government	14,277	5.3%	122,676	11.8%	108,399	759%	9.4%
Not Classified	238	0.1%	499	0.0%	261	110%	3.1%
Total All Industries	269,451	100.0%	1,043,545	100.0%	774,094	287%	5.8%
Total Excluding Government	255,174	94.7%	920,869	88.2%	665,695	261%	5.5%

Notes:

(1) Compounded annual growth rate.

A GLIMPSE OF GAMING IN NEVADA

Nevada Employment Growth by Industry
Compounded Average Annual Growth Rates, 1977 to 2001

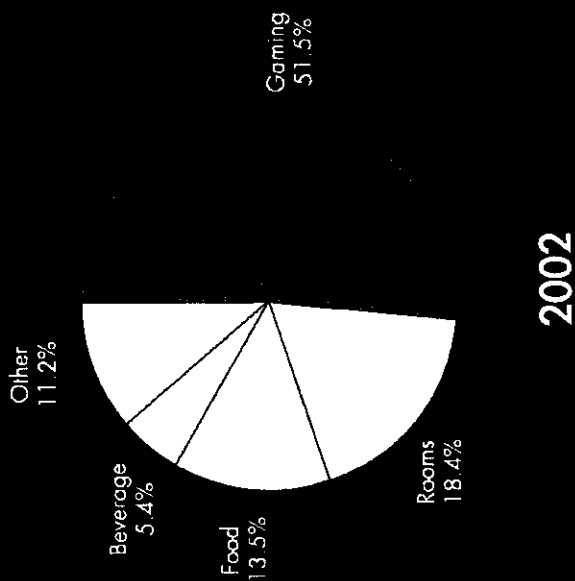
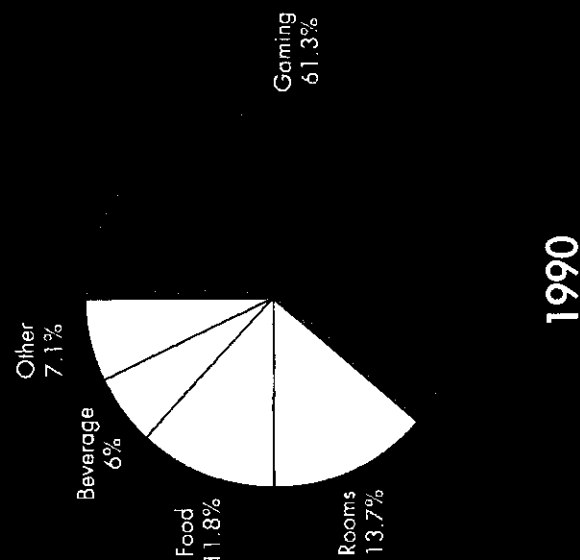
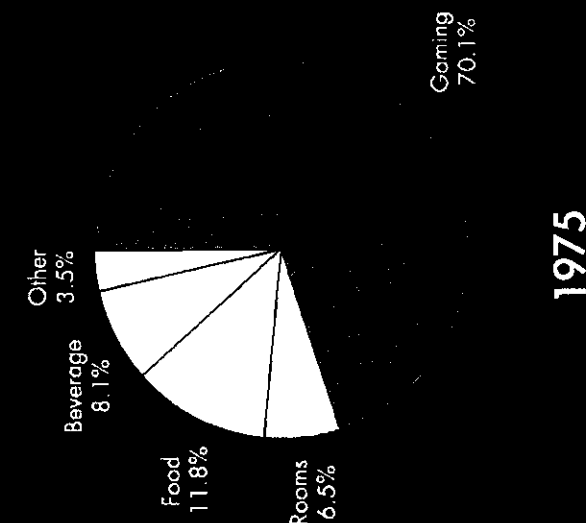


State of Nevada Business Activity FY 2001

- \$122 billion in business revenue in Nevada
- \$18 billion (15%) from gaming industry

A GLIMPSE OF GAMING IN NEVADA

Revenue Distribution for Gaming Operations in Nevada¹



Source: Nevada Gaming Control Board

Note: ¹ Statewide casinos with gaming revenue of \$1 million and over

