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**To:** President-elect Donald J. Trump Transition Team  
**From:** American Gaming Association (AGA)  
**Date:** December 2016  
**Subject:** Casino Gaming Priorities Under Trump Administration

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As a former casino owner, President-elect Trump understands many of the issues facing the industry. However, given how much casino gaming has evolved in recent years, we write to provide a brief overview of the state of the casino gaming industry and our federal priorities for 2017 and beyond.

### **AGA and Casino Gaming Overview**

The American Gaming Association (AGA) has been led by President and CEO Geoff Freeman since 2013. AGA is the Washington, DC-based, national trade group representing the \$240 billion U.S. casino industry, which supports [1.7 million jobs](#) in 40 states and generates \$38 billion in annual tax revenue for critical public services, including education, public safety and infrastructure projects. AGA members include commercial and tribal casino operators, suppliers and other affiliated entities. It is the mission of the AGA to be the single most effective champion of the industry, relentlessly protecting against harmful and often misinformed public policies, and paving a path for growth, innovation and reinvestment.

Over the next decade, the gaming industry is expected to add more than 62,000 in direct jobs alone. Casino jobs are [good jobs](#) that support the working class and provide a path to the middle class, not just in Nevada and New Jersey, but across the Midwest, Northeast, and in more than three dozen states. Gaming offers a wealth of career opportunities for workers from all backgrounds with a wide variety of skill sets and employs workers in more than 200 job classifications, including high-tech, engineering, software development and law enforcement. Few industries employ as diverse a workforce as gaming. Forty-five percent of gaming's workforce is composed of racial or ethnic minority employees – far more than the U.S. average of 33 percent. Twenty percent of gaming employees are Hispanic, compared to the national average of 15 percent.

### **Priorities for 2017 and Beyond**

The AGA seeks to build a public policy environment that is conducive to reinvestment and innovation – two essential elements of a successful entertainment product. While most gaming public policies are administered at the state level, the federal government plays an important role in the success of the casino gaming industry. In recent years, federal agencies have frequently considered and/or adopted unnecessary, costly and often counter-productive regulations. We are hopeful that the Trump Administration will review these policies and consider the following key areas of interest to the gaming industry.

## **Illegal Gambling**

The gaming industry has forged [strong ties with law enforcement](#) to expose and eliminate illegal gambling activities, which fund large criminal enterprises involved in human trafficking, racketeering, money laundering, extortion and fraud. Our efforts focus on five key areas of illegal gambling: illegal sports betting; black market machines; Internet sweepstakes cafes; animal fighting; and illegal online betting.

Last year, AGA secured the commitment of the U.S. Justice Department to focus on illegal gambling enforcement, and the Federal Bureau of Investigation collaborates with us to solicit tips from citizens about illegal gambling activities. We look forward to working with your attorney general on this important issue that's harming communities across the nation.

## **Sports Betting**

The United States' approach to sports betting lags behind Europe and other countries that effectively regulate a legal market. Today, at least \$150 billion a year is wagered illegally on sports betting in the United States, and a [report](#) released this fall concluded that, "rather than setting the standard, the United States is on par with Russia and China, having forced a groundswell of black-market gambling by prohibiting the popular pastime of sports betting." The casino gaming industry is building a broad coalition in support of repealing the nearly 25-year-old federal prohibition and giving states the opportunity to offer sports betting if they so choose. This position is shared by the National Basketball Association, owners across the four major sports leagues, the U.S. Conference of Mayors, National Council of State Legislatures and many others. We are pleased that President-elect Trump appears to [agree](#) with this approach.

## **Anti-Money Laundering Compliance**

The casino gaming industry is dedicated to preventing money laundering and working with the U.S. Treasury Department's Financial Crimes Enforcement Network (FinCEN) to protect the U.S. financial system from money laundering and illicit financial activity. Gaming sets the standard for maintaining a strong culture of compliance through vigilant reporting, unprecedented investment in anti-money laundering compliance programs and a strong partnership with the federal government. According to the recently issued, [once-a-decade analysis](#) by the Financial Action Task Force, the influential body that grades countries' efforts to prevent money laundering, the casino gaming industry is going "above the requirements" to combat money laundering and terrorist financing.

## **Off-Reservation Tribal Gaming**

Federally authorized tribal gaming is a major component of the U.S. gaming industry. AGA fully supports tribal gaming that is located on or near tribal lands that are within the historical and current territory of the tribe operating such gaming, and is operated in accordance with all applicable laws. The AGA also supports the development of tribal gaming on restored, or newly acquired, lands in those situations where a tribe has no land, as long as the federally recognized tribe complies with all applicable laws.

However, locating tribal gaming facilities “off-reservation” in areas where a tribe has limited, or no, historical connections and is not in reasonable geographic proximity a tribe’s existing land or population base alters the characteristics and intent of tribal government gaming. Therefore, AGA supports the incorporation of more transparency and additional bright-line standards into the current U.S. Department of Interior Bureau of Indian Affairs’ approval processes. Such standards should require a tribe to have both historical and geographic connections to the land they are seeking to acquire for off-reservation gaming.

## **Tax Reform**

We seek tax reform that broadens the base, lowers the high burden gaming companies face and keeps business interest expense fully deductible. Further, making permanent the research and development tax credit would permit gaming equipment manufacturers and suppliers to plan long-term and invest in cutting-edge technologies, particularly in the area of computer software.

## **Immigration**

We encourage a reasonable approach to reform our nation’s immigration system that provides security, but promotes economic growth. Because our diverse workforce includes immigrants from around the world and depends on global consumers, AGA supported immigration reform legislation that passed the U.S. Senate with in 2013, calling the legislation the “first major achievement toward reforming the U.S. immigration system...immigration reform is critically important for future economic growth and the creation of employment opportunities across the country.”

AGA also backed the bipartisan *New Americans Success Act of 2015* introduced by Rep. Ileana Ros-Lehtinen (R-FL) and Rep. Tony Cárdenas (D-CA) that improves immigrants’ access to English language and civic programs to help them fully contribute to society and the nation’s economy. The legislation promotes programs that many casino gaming companies already implement to help workers boost their language skills, further their education and apply for citizenship. Casino gaming companies provide robust benefits programs that include citizenship assistance, continuing education and language workshops. Casinos have helped hundreds of gaming employees become citizens.

## **Travel and Tourism**

The casino gaming industry is part of the broader travel industry that relies on visitors from across the country and around the world, and many of our nation’s most attractive and desirable destinations are also home to casinos. We will continue to support a robust and secure Visa Waiver Program and encourage a welcoming environment for foreign visitors, many of whom are interested in enjoying the casino gaming experience.

Further, protecting these destinations is paramount. We have worked with the Department of Homeland Security (DHS) to ensure Las Vegas receives significant security funding through the Department of Homeland Security’s Urban Area Security Initiative (UASI). Federal security

funding plays a critical role in ensuring the safety of Nevadans and the more than 40 million people who visit Las Vegas each year.

### **Yucca Mountain**

We express serious concerns with any efforts to revive Yucca Mountain as a home for the nation's nuclear waste. Yucca Mountain is located just 90 miles from Las Vegas, and any problems with the transport of nuclear waste to the site, or issues with its storage there, would bring potentially devastating consequences to the world's premier tourist destination and the industry, which all Nevadans rely on in one way or another.

### **Infrastructure Improvements**

We are pleased that President-elect Trump has shown a commitment to improving our nation's infrastructure. Rebuilding our roads, bridges, tunnels and more would boost the economy, create jobs and lead to greater disposable income for working Americans across the country. We will be strong advocates for sensible infrastructure investments.

### **Conclusion**

These are just a few of the important issues the gaming industry faces that involve the federal government. AGA looks forward to working with the Trump administration and members of Congress from both parties to advance shared priorities that strengthen the American economy, create jobs, provide millions of dollars in revenues for vital public services and foster an efficient regulatory environment that promotes growth, innovation and reinvestment.