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Schmoke, Schaefer back studies on casino gaming

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With gambling fever sweeping the country, Baltimore Mayor Kurt L. Schmoke and Gov. William Donald Schaefer took steps yesterday that could make roulette wheels and craps tables a more prominent feature of the Maryland landscape.

As Washington, D.C., and several states bordering Maryland consider opening casinos, the mayor and governor said that they would appoint commissions to study the issue. Both politicians maintained neutrality, but they and others noted the increasing competition for gambling as cash-strapped states seek to tap the \$253 billion-a-year casino industry.

"Obviously, we've got the right location for a lot of reasons," said House Speaker Casper R. Taylor Jr. "If Pennsylvania, West Virginia, Virginia are going to pursue this kind of economic activity, that's got to have some bearing on Maryland's economic future."

But if Maryland is going to get into the game, it won't happen without opposition.

Republican gubernatorial candidate Ellen R. Sauerbrey worried that Maryland would become the "Las Vegas of the East."

And the Rev. Leroy Fitts, pastor of First Baptist Church in East Baltimore, said, "I think it would bring more violence to the city, more crime. We already have a huge drug problem."

Maryland now has a hodgepodge of gambling offerings. Horse racing dominates, but fire companies and fraternal organizations conduct casino nights in Prince George's County, and slot machines spin nightly for fraternal groups on the Eastern Shore.

There are video-gaming devices in the Baltimore area, as well as tip jars in Western Maryland restaurants and bars. And, of course, the state lottery system.

Now, several casino operators are looking into Maryland for expansion, and at least two lobbyists are already working the issue.

"We've talked to pari-mutuel folks and lobbyists-lawyers, just to find out what the thoughts of the political structure is in Maryland," said William P. Weidner, president of the company that owns the Sands casino-hotel in Atlantic City, N.J.

Several states bordering on Maryland are weighing expanded gambling offerings. Delaware, for example, has approved 1,000 slot

machines at Delaware Park race course, and the District of Columbia has discussed allowing casinos.

Taxes on wagering could provide revenue to make up for shortfalls in state and city coffers. Americans legally bet \$330 billion in 1992, according to Gaming and Wagering Business magazine, most of that at casinos.

Mr. Schaefer said that he would name a group to study the competitiveness of the state's horse racing industry, with a focus on the impact of other types of gambling.

"The governor is not in favor of expansion of gambling," said spokesman Joe Harrison. "However, he does feel that a study needs to be made and we need to be pragmatic about what neighboring states are doing and how it affects us."

Mr. Schmoke said Harry Cole, a former judge on the Maryland Court of Appeals, will head the city commission. The panel will include Janet Hoffman, a longtime financial adviser to the city; Leneal Henderson, a professor at the University of Baltimore; and Steve Vicchio, a professor at the College of Notre Dame.

Mr. Schmoke said the study might not be completed until January 1996. "We should not rush into a decision," he said.

The other committee members have not been named, but they probably will include a representative of the Greater Baltimore Committee and an attorney, he added.

"The religious community, the business community, the neighborhood associations will all be involved in this," the mayor said. "We should have public input, possibly a referendum, but the people must be informed."

Mr. Schmoke's task force was spurred by a report on casino gambling being prepared by the Abell Foundation. A draft report dated Sept. 14 makes no recommendation on casinos but calls for an independent study commission. It also says the impetus for casino gambling in Baltimore should not be a study funded by advocates of gaming parlors.

Robert C. Embry Jr., president of the foundation, said that it decided to conduct a study because casino gambling has become a growing phenomenon across the nation and is becoming more prevalent in cities close to Baltimore.

The Abell report, "Casino Gambling: Should Baltimore Roll the Dice," pointed out that Detroit, New Orleans and Houston, cities with which Baltimore competes for convention business, have approved casino gambling. Others -- Pittsburgh, Chicago, Boston, Philadelphia and Washington -- are considering approval.

The report lists 23 issues that Baltimore needs to consider in deciding whether to open casinos, including the impact on crime, employment, tax revenue, tourism, and existing gambling opportunities such as the state lottery and local horse tracks.

Maryland's racing industry, worried about competition from tracks in other states that are adding casino gambling to their offerings, has been pushing Mr. Schaefer to set up a study group.

Joseph A. De Francis, the main owner of Pimlico and Laurel race courses, said that he would be forced to close Pimlico if a casino opened only a few miles away in downtown Baltimore.

Nobody is predicting that casino gambling will be an easy sale in Maryland. Neither candidate for governor, for example, is enthusiastic about the prospect.

"I'm concerned that Maryland is becoming obsessed with gambling," said Parris N. Glendening, the Democratic candidate. "I'm objective and will look at any proposal brought before me. But I don't have much of an inclination to {approve casinos} at the moment."

"I don't want to see Maryland become the Las Vegas of the

East," said Mrs. Sauerbrey. "I don't know what the measure would look like, but I'm not inclined to want to see us move heavily in that direction."

Although Maryland lawmakers have defeated proposals for riverboat gambling in recent years, the General Assembly's presiding officers said yesterday that it's time to reconsider the issue.

Senate President Thomas V. Mike Miller Jr. called for a panel to examine the issue — "somebody that can look at the economic spinoffs of gambling in terms of tourist dollars, making sure that the bulk of the money ends up in state coffers."

Mr. Miller said colleagues had reported frenzied lobbying by casino companies at recent legislative conferences around the country, likening it to the rush to win cable television franchises in the early 1980s.

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