



Unregulated VGTs are an unsound budget choice

Bally's Corporation urges the City Council to reject any budget proposal that relies on unregulated, independently-operated video gambling terminal (VGT) licenses. To incorporate VGTs as a budget line item will result in a loss of substantial new revenue for the City, and will significantly create job losses at the Bally's Chicago Casino. Even if this proposal were to pass as is, it would generate \$0 revenue in FY 2026 for the City.

Financial losses

- The introduction of new forms of gaming in Chicago will necessitate renegotiation of critical elements of the existing Host Community Agreement (HCA) between Bally's and the City.
- Unregulated VGT legalization would **at a minimum jeopardize the \$4 million yearly payment to the City** currently owed by Bally's.
- Since VGTs first became operational in 2012, Illinois casinos have suffered a 37% reduction in gaming revenue.
- A 37% reduction in gaming revenue also results in reductions in other sources of revenue from casinos including, but not limited to, admission taxes and payroll taxes.
- The legalization of unregulated, independently-operated VGTs in Chicago could result in a **yearly total tax loss of \$260 million** from Bally's Chicago Casino.
- Of that, the City of Chicago stands to lose **roughly \$70 million** in tax revenue yearly, not including the \$4 million payment from the HCA.
- The City of Chicago would only gain 5.15% of the revenues from VGTs, in contrast to the 22.3% from casino gaming.

Job losses

- Bally's has committed to creating and maintaining 3,000 jobs at its permanent casino site. However, the expansion of VGTs would pose a direct threat to this commitment.
- Like all casinos, Bally's staffs its casinos to demand, meaning that a reduction in visitation directly leads to staffing reduction.
- Based on a 37% revenue reduction as seen in other casinos in areas with the legalization of VGTs, we project a reduction of 750 to 1,050 positions if this proposal is to go into effect.

Bally's Chicago is under construction, and the corporation globally is thriving financially—it even just [received approval](#) for a new \$4b casino in New York City. Alders should do the responsible thing and reject unregulated, independently-operated video gaming terminals in their communities. The legalization and spread of such VGTs would entail serious risks to jobs at Bally's Chicago Casino as well as City revenue.