

Tahoe Casinos

by
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Casinos, as a category, have been hot for a long time...and then *sizzling*, with the boom in gambling across the country. Las Vegas, Reno, and Atlantic City, as the three main gaming spots in the nation, usually get the lion's share of attention. But, Tahoe, tucked away in the mountains of Northern California/Nevada, can boast of a long history in the business, as well. And, certainly, any Casinos collector is familiar with Tahoe Casino covers.



In fact, Tahoe has had gambling for as long as tourists have been coming to the lake, and just pinning down which casino was the first is a challenge—First ever? First at the lake? First at the south end? North end? First with a license?

At about the same time that gambling was becoming illegal in California, “Lucky” Baldwin bought the Tallac House hotel and soon added a grand casino, now the Tallac Historic Site on the California side of the south shore.

According to a 1902 brochure, the casino was “the finest in America.” The brochure doesn't mention gambling at all [because it was illegal in California at the time], but there were slot machines lining the walls, and dice and roulette tables filled the center of the room. The casino had a contact in the sheriff's office in Placerville.



Anytime an officer headed out to visit Tallac, all the gaming equipment was hidden until the officer was wined, dined, and headed back to the office!

Gambling and drinking were seen as two sides of the same coin, so gambling continued to be illegal throughout Prohibition, but gambling continued on *both* sides of Tahoe, as law enforcement agencies just looked the other way. It wasn't until the 1940s, when Gov. Earl Warren cracked down, that gambling on the California side of Tahoe came to an end. In Nevada, however, as of 1931, gambling had become legal. Thus, in the 1930s, the most important spot at Lake Tahoe was the Cal-Neva Lodge, built exactly astride the state line at Crystal Bay on the north end of the lake. It had opened in 1929 and had a line painted across the floor to denote the border. Any time a raid was coming from one side, the gambling equipment was simply scooted over to the other side! Much later, the Cal-Neva remained, along with three other casinos, at the north shore: Tahoe Biltmore Lodge & Casino, Crystal Bay Club Casino, and Hyatt Regency Resort & Casino.

The south shore of Lake Tahoe developed somewhat more slowly because of poor access. The first licensed club at Stateline was the Nevada Club in 1931, followed a few months later by the Edgewood club, but the more modern casino, the State Line Country Club, was built in 1932. Harvey's, which started out as a saloon in 1948, is across the street, and the State Line Country Club became Harrah's. There are also the Lakeside Inn & Casino and the MontBleu Resort Casino & Spa.

By the late 1990's, there were ten licensed casinos on the Nevada side of the lake. In 1998, they earned their owners almost \$350 million in profits, but, in the bigger picture, things have changed since then. The advent of Indian casinos across the country and the economic downturn of the country have certainly taken their toll.

In 1939, all of the rural areas of Nevada, including Tahoe, accounted for 50% of the gaming action in the

state. That figure has dropped to some 3% today. In 2013, Nevada casinos lost \$1.3 billion, marking the fifth straight year without an overall profit, although the Tahoe casinos tended to do somewhat better than other Nevada casinos.

Barring the end of the world, though, the Tahoe casinos will always be there. The lake, mountains, skiing, and recreation will continue to draw millions of Californians to their doors each year, as well as tourists and gamblers from all over the world.

