

The Electronic Gaming Revenue Act of 2012

“Concerning the authorization and regulation of electronic scratch ticket machines for house-banked card rooms and providing funding for education, health and human services and public safety.”

<p>What the bill does...</p>	<ul style="list-style-type: none"> • Authorizes the same electronic scratch ticket machines currently operated only by tribal casinos for existing House Banked Card Rooms (HBCR). • Limits machines to 200 per location, 7,875 statewide in currently licensed, regulated, operating card rooms with at least five table games (63). • Future licensees will have to be in operation for at least 5 years to qualify.
<p>Revenue Estimates...</p> <p><i>Based on economic study by Gaming Marketing Associates, an independent firm specializing in gaming revenue projections</i></p>	<ul style="list-style-type: none"> • State Lottery Commission retains 35% of net win, returns 65% to card rooms as agent compensation. Proceeds to be deposited in a restricted account. • \$ 380 million per biennium at full operation to be distributed as follows: <ul style="list-style-type: none"> - 5% to local jurisdictions with card rooms \$ 19.0 million - 2% to Gambling/Lottery Commission \$ 7.6 million - 0.5 % to Problem Gambling programs \$ 1.9 million • The remaining proceeds are mandated to be allocated: <ul style="list-style-type: none"> - 50% to K-12 Education \$ 175.75 million - 30% to Health and Human Services \$ 105.45 million - 20% to Public Safety \$ 70.3 million
<p>Tribal Casino Impacts...</p>	<ul style="list-style-type: none"> • Estimated 9% of market share on machine gaming. • Less than tribes have given up under revenue sharing in other states. (11-22%) • Tribal casinos retain competitive advantage on machines by a 3-1 ratio overall, as much as 40-1 in comparable locations. • Tribal casino receipts \$1.75 B in 2010 to over \$1.95 B in 2011 – a \$208 M increase.
<p>Jobs and economic benefits...</p>	<ul style="list-style-type: none"> • At its peak in 2005, the card room industry (100 card rooms) employed over 10,000 people, the same number as the Boeing Renton Plant. • Currently accounts for about 6,000 living wage jobs with tips amounting to 2 and 3 times minimum wage. • HBCRs purchase millions of dollars in goods and services in state. • Current decline (63 card rooms) due to competitive disadvantages and other factors, including smoking ban and rising minimum wage rates.
<p>Public Support...</p> <p><i>Statewide voter opinion poll by independent researcher Stu Elway in February 2011</i></p>	<ul style="list-style-type: none"> • Tukwila and Lakewood voters overwhelmingly supported local card rooms. • More than 62% of voters statewide support authorizing electronic machines for house-banked card rooms. • When those philosophically opposed to gambling in general (14% of the sample) are factored out the support rises to 74%. • Limiting the footprint of non-tribal machines to existing gambling venues raises overall support to 69%.