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From: Sandra Powers <sandypowers7@gmail.com> Date: March 17, 2020 at 7:56:13 AM AKDT To: "Sen. Joshua Revak" <Sen.Joshua.Revak@akleg.gov> Subject: SB 188 & Expanding Gambling

March 16, 2020

Honorable Senator Josh Revak, Chairman Senate State Affairs Committee Alaska State Senate State Capitol Juneau, Alaska 99801

Re: Opposition to the Governor's SB 188 Re: Lottery Commission/Expanded Gambling

Dear Senator Revak and Senate State Affairs Committee Members,

My name is Sandy Powers and I am the President of the Alaska Charitable Gaming Alliance. I also own and operate Big Valley Bingo in Wasilla and my husband John owns Tudor Road Bingo in Anchorage. I am a retired Providence Hospital nurse. We've lived here for over 25 years.

AGCA represents the charity benefactors, operators and employees, and patrons and public that engage with charitable gaming.

Even if well-intended, the Governor's proposed SB 188 would be devastating to Alaska's charitable gaming model and operations

statewide. SB 188 not only adds more government layers to our overburdened state bureaucracy by creating a new Lottery Commission, it also grants new authority allowing for internet gaming, keno games, lottery video terminals (slot machines), sports betting and other gambling medium to be launched in Alaska.

Alaska's charitable gaming system works because it's efficient in both revenue generation for the state and permittees (over \$35 million in 2019) while employing over 1000 Alaskans. Our model is assiduously regulated and maintains a framework that deters abuse and addiction.

The problems that could result from a proliferation of new gambling venues and systems in the state are profound, ranging from exacerbated crime and drug sales to millions of dollars of revenue funneled out of state to Lower 48 casino and gambling businesses who care little about Alaska's best interest. This is no deficit fix.

Charitable gaming recipients are integral to Alaska. Their clients will be most adversely affected as charitable gaming revenue depletes at the hands of video lottery terminals and online gambling, which are both addictive and difficult to regulate. From domestic violence prevention and shelter advocacies, to faith-based, veteran-based and communitybased organizations inextricably linked to monthly revenue generations from recreational bingo and pull-tabs, the threat to Alaska's overall charities and non-profit infrastructure is imminent if SB 188 passes.

ACGA would be willing to provide supplemental information and recent articles (i.e. ProPublica's overview of Illinois and video gambling) on how expanded gambling efforts have harmed cities and states across America, and ultimately did not generate anticipated revenue. States like Maine, Oklahoma and many communities across our nation are experiencing the strain and pressure from a rush to enact gambling expansion laws to curb a deficit. Their state and local lawmakers now recognize the expansion of gambling causes more problems than less. Our website address noted below is also abundant in details.

In Alaska, we have enough problems at present with the COVID-19 pandemic and a multitude of businesses temporarily closing. It should be noted the pandemic is affecting our industry, too, as numerous businesses have been forced to close just this week per mayoral and governor mandates. As for social engineering, our membership is not endorsing recreational restrictions, but more specifically the pervasiveness to spend money one doesn't have through Internet and video terminal gambling. Portland, Oregon by example, has faced as many problems as benefits from VLTs scattered in establishments throughout the city. There's no doubt Portland lawmakers regret approving such system of gambling.

Our organization nor its members were included in the drafting or genesis of this proposed legislation (SB 188). It really is a big deal - and now has national attention as casinos and gambling system manufacturers are targeting our state for business. We're unsure who lobbied the Governor to allow a new commission/corporation to be able to expand gambling in Alaska to such a degree, and absent a charitable gaming nexus, but without question someone advocated for this bill. The Governor clearly didn't think this up himself, so we would also like to know who is behind the push to overload Alaska with gambling?

ACGA recommends SB 188 and all gambling expansion proposals be tabled this session, especially with only a month left. The economic carnage from COVID-19, and the decrease in oil prices and ballooning budget deficit simply cannot be resolved with gambling. And if gambling was expanded to such wide and far levels as SB 188 would afford, Alaskan charities and their benefactors will pay the price as the current system dissipates. When that happens, the knock on your door will be for financial support from the State by our charities absent the \$35+ million generated in 2019.

With Alaska's current charitable gaming laws and regulations, everyone wins. The money stays in Alaska to benefit Charities, businesses and employees.

Please table SB 188 and oppose its passage.

Respectfully submitted,

Sandy Powers, President Alaska Charitable Gaming Alliance (ACGA) <u>AlaskaCharitableGamingAlliance.org</u> <u>sandy.bigvalleybingo@gmail.com</u> 907-242-8840