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March 13, 2024

Representative Jesse Sumner, Chair
House Labor and Commerce Committee

Testimony in support of HB 200, “An Act relating to pull-tabs; relating to persons prohibited from involvement in gaming; and relating to the duties of the Department of Revenue.”

Chair Sumner and Members of the Committee:

Thank you for your consideration of HB 200, and for allowing me to submit testimony before the Committee.

My name is Marc Downing, and I am Chief Counsel of Grover Gaming, Inc. Grover Gaming is a software development company headquartered in North Carolina.

Grover Gaming is the nation’s leader in electronic charitable gaming. Our products have netted our charitable partners over \$600 million nationwide—in New Hampshire, North Dakota, Kentucky, Ohio, and Virginia.

We believe electronic pull tabs would be a boon to Alaska charities and the local communities they serve. In every state that has modernized its charitable gaming to allow electronic pull tabs, charities have seen a tremendous increase in their fundraising. With this new revenue, charities have been able to reinvest in themselves by renovating and updating their posts and lodges, offer new services to their members and, most importantly, invest more in their charitable causes in their local communities. Additionally, participating charities have seen their membership increase, tapping into younger demographics. The modernization of charitable gaming has brought about positive, palpable change to charities and local communities in other states, and the same would happen in Alaska.

As a developer of these systems, I can attest that the modernization that is the subject of this bill is just that – electronic pull tabs are merely electronic facsimiles of paper pull tabs. We are not seeking to impact existing regulated charitable gaming in the state. And, indeed, in states that have legalized electronic pull tabs, there is no evidence of harm to existing gaming. Instead, electronic pull tabs complement what already exists.

In the five states where our electronic pull tab systems are present, the newfound revenue has brought charitable clubs back from the brink of collapse. Plagued by decreasing membership, little revenue, and dilapidated facilities, many clubs struggle to pay their overhead costs. Electronic pull tabs have mitigated, if not erased entirely, these issues for charities in states that have modernized charitable gaming. I encourage you to allow the Alaska charities this same opportunity by supporting HB 200.

Thank you again for your time and consideration.

Very Respectfully,

Marc C Downing

Marc Downing

Chief Counsel

Grover Gaming, Inc.

cc: Representative Justin Ruffridge, Vice Chair
Representative Mike Prax, Member
Representative Dan Saddler, Member
Representative Stanley Wright, Member
Representative Ashley Carrick, Member
Representative Zack Fields, Member