

Appendix A: Video Lottery Compensation Survey Results
(Revised February 17, 2004)

Jurisdiction	Establishments with Video Lottery	Games Included	Retailer Compensation Percentage¹	Changes in Retailer Compensation	Ownership and Operation	Cost Responsibilities
Jurisdictions Similar to Oregon						
Alberta	Adult establishments and veteran organizations with a valid liquor license, charity casinos, video gaming entertainment rooms	Poker, blackjack, reel games, and keno	15%	Reduced from 15% to 10% when a bonus structure was added; returned to 15% after bonus structure dropped	Lottery/Gaming Agency	Retailer—Electricity Lottery/Gaming Agency—Purchase, rent or lease of video lottery terminals; maintenance of video lottery terminals; repair of video lottery terminals; phone or data connection
Manitoba	Commercial establishments and veteran organizations with a valid liquor license, one racetrack	Poker, blackjack, and reel games	Commercial establishments/ veteran organizations: 20% Racetrack: 75%	No change	Lottery/Gaming Agency	Retailer—Licensing or registration fees (split with Lottery/Gaming Agency); electricity Lottery/Gaming Agency—Licenses or registration fees (split with retailer); purchase, rent or lease of video lottery terminals; maintenance of video lottery terminals; repair of video lottery terminals; and phone or data connection
New Brunswick	Almost all liquor-licensed establishments have terminals (e.g. bowling lanes, lounges, restaurants, ferry boats, hotels and motels, pool halls, cabarets, etc.)	Poker, reel and line games, keno	22%	12/1990-3/1993: 35% 4/1993-9/1993: 31% 10/1993-3/1994: 30.5% 4/1994-3/1995: 30% 4/1995-3/1997: 25% 4/1997-3/1998: 24% 4/1998-3/1999: 23% 4/1999-current: 22%	Lottery/Gaming Agency ²	Retailer—Electricity; phone or data connection Lottery/Gaming Agency—Purchase, rent or lease of video lottery terminals; maintenance of video lottery terminals; repair of video lottery terminals
New Foundland	Almost all liquor-licensed establishments have terminals (e.g. bowling lanes, lounges, restaurants, ferry boats, hotels and motels, pool halls, cabarets, etc.)	Poker, reel and line games, keno	Net revenue < \$400,000: 24.75% Net revenue > \$400,000: 19.8%	1/1991-3/1994: 35% 4/1994-3/1995: 20% 4/1995-3/1997: 26.73% < \$370,000; 19.8% > \$370,000 4/1997-3/1998: 25.74% < \$385,000; 19.8% > \$385,000 4/1998-current: 24.75% < \$400,000;	Lottery/Gaming Agency	Retailer—Electricity; phone or data connection Lottery/Gaming Agency—Purchase, rent or lease of video lottery terminals; maintenance of video lottery terminals; repair of lottery terminals

¹ Expressed as a percentage of cash left in the machine after payment of prizes.

² In April 2002, the Atlantic Lottery Corporation took over the video lottery program in New Brunswick. Prior to that point in time, a third party owned video lottery terminals.

				19.8% > \$400,000		
Nova Scotia	Almost all liquor-licensed establishments have terminals (e.g. bowling lanes, lounges, restaurants, ferry boats, hotels and motels, pool halls, cabarets, etc.)	Poker, reel and line games, keno	24.75%	5/1991-5/1994: 35% 5/1994-4/1995: 30% 4/1995-2/1999: 29.7% 3/1999-current: 24.75%	Lottery/Gaming Agency	Retailer—Electricity; phone or data connection Lottery/Gaming Agency—Purchase, rent or lease of video lottery terminals; maintenance of video lottery terminals; repair of lottery terminals
Prince Edward Island	Almost all liquor-licensed establishments have terminals (e.g. bowling lanes, lounges, restaurants, ferry boats, hotels and motels, pool halls, cabarets, etc.)	Poker, reel and line games, keno	20%	8/1991-6/1993: 35% 6/1993-3/1998: 25% 4/1998-current: 20%	Lottery/Gaming Agency ³	Retailer—Electricity; phone or data connection Lottery/Gaming Agency—Purchase, rent or lease of video lottery terminals; maintenance of video lottery terminals; repair of lottery terminals
Quebec	Bars, pubs, taverns, and racetracks	Poker, line games, keno	22%	1994: 20% 1994-2001: 30% 2001-11/16/03: 26% 11/16/03-current: 22%	Lottery/Gaming Agency	Retailer—Electricity Lottery/Gaming Agency—Purchase, rent or lease of video lottery terminals; maintenance of video lottery terminals; repair of lottery terminals; phone or data connection
Saskatchewan	Adult establishments with a liquor license (e.g. bars, taverns, lounges, veteran organizations)	Poker, blackjack, and simulated reel	15%	7/2001: bonus for establishments with 3 or fewer terminals reduced from \$20 to \$10 per terminal per week	Lottery/Gaming Agency	Lottery/Gaming Agency—Purchase, rent or lease of video lottery terminals; maintenance of video lottery terminals; repair of lottery terminals; electricity; phone or data connection
Oregon	Adult establishment that are on-premise liquor licensed and age-controlled (e.g. bars, taverns, lounges and two racetracks)	Poker	Net receipts of \$200,000 or less: 35%; \$200,001 to \$400,000: 30%; \$400,001 to \$600,000: 25%; \$600,001 and above: 20%.	Prior to 1999: Net receipts of \$200,000 or less: 35%; above \$200,000: 30% 1999-current: \$200,000 or less: 35%; \$200,001 to \$400,000: 30%; \$400,001 to \$600,000: 25%; \$600,001 and above: 20%	Lottery/Gaming Agency	Retailer—Electricity; phone or data connection; cleaning; changing paper; clearing paper jams Lottery/Gaming Agency—Purchase, rent or lease of video lottery terminals; preventative maintenance of video lottery terminals; repair of lottery terminals

³ In January 2003, the Atlantic Lottery Corporation took over the video lottery program in Prince Edward Island. Prior to that point in time, a third party owned video lottery terminals.

Jurisdictions Different from Oregon

Delaware	Racetracks	Poker, blackjack, simulated reel, and keno	49%	Fiscal year 2004: reduction of a fraction of 1% in commission rate	Third Party Operators	Retailer—Licensing or registration fees; electricity Third Party Operator—Purchase; license or registration fees; maintenance of machines; repair of machines Central System Provider—Phone or data connection Lottery/Gaming Agency—State leases machines from operator
Iowa	Racetracks, riverboats	Racetracks— simulated reel riverboats— keno, simulated reel, all variations of card games	80% (Percentage retained after tax based on revenues from all gaming)	Prior to 1997: 80% 1997: 78% 1998: 76% 1999: 74% 2000: 72% 2001: 70% 1/2002-6/12/02: 68% 6/12/02-current: 80% (Changes in percentage retained after tax for racetracks only)	Retailer	Retailer—Purchase, rent or lease of video lottery terminals; license or registration fees; maintenance of video lottery terminals; repair of lottery terminals; electricity Lottery/Gaming Agency—None
Louisiana	Bars, restaurants, hotels, racetracks/off track betting facilities (OTBs), and truckstops	Poker	Bars and restaurants: 74% racetracks/OTBs: 77.5% truck stops: 67.5% (The retailer typically splits share with a "device owner." Usually, the split is 50-50, but could be 80-20 in either direction.)	Prior to 7/1994: 77.5% 7/1994-current: Bars and restaurants: 74%, racetracks/OTBs: 77.5%, truckstops: 67.5%	Third Party Operator or Retailer	Retailer or Third Party Operator—Purchase, rent or lease of gaming device; maintenance of gaming device; repair of device; licensing fees Retailer—Electricity; phone or data connection Lottery/Gaming Agency—None
Montana	Any establishment with a liquor license is eligible for video lottery (e.g., bars, restaurants, a few non-profits).	Keno, poker (Bingo has been approved but no one has	85% (Percentage retained after tax. It is split with third party operator if retailer	No change	Third Party Operator or Retailer	Retailer or Third Party Operator—Purchase, rent or lease of gaming device; annual tax and license fee; maintenance of gaming device; repair of device

	A few locations such as mini-marts and Laundromats were grand fathered in, but will no longer have video lottery when ownership changes.	licensed it yet.)	is not machine owner; split is typically 50-50, but could be 60-40 in favor of the route operator.)			Retailer—Permit fees; Electricity Lottery/Gaming Agency—None
New York	Racetracks	Video version of scratch-off tickets	29% (Retailers are required to distribute 30.2% of their compensation to purses and breeding funds)	No change ⁴	Third Party Operators	Retailer—License or registration fees; electricity Third Party Operator—Purchase, rent or lease of terminals; maintenance of terminals; repair of terminals Central System Providers—Phone or data connection Lottery/Gaming Agency—None
Ontario	Racetracks, commercial casinos, charity casinos	Reel games	Racetracks: 10%	No change	Lottery/Gaming Agency ⁵	Retailer—License or registration fees (racetracks only) Lottery/Gaming Agency—Purchase, rent or lease of terminals; electricity; maintenance of terminals; repair of terminals
Rhode Island	One racetrack and one jai alai facility	Poker, blackjack, reel games	Racetrack: 27% Jai alai: 26%	FY 1993-1995: 33% FY 1995-2002: 31% FY 2003: 30.5 FY 2004: Racetrack—27% Jai alai—26%	Third Party Operator	Retailer—Electricity Third Party Operator—Purchase, rent, or lease of terminals Central System Provider—Phone or data connection; maintenance of terminals; repair of terminals Lottery/Gaming Agency—None
South Dakota	Establishments with a valid liquor license	Poker, Keno, Blackjack, and Bingo.	50% (Shared with third party operator if retailer does not own terminal)	1989: 22.5% 1991: 25% 1992: 35% 1993: 36% 1994: 37% 1995-current: 50%	Third Party Operator or Retailer	Retailer or Third Party Operator—Purchase, rent or lease of terminals; maintenance of terminals; repair of terminals; license or registration fees Retailer—Electricity; phone or data connection

⁴ Legislation provides that the percentage paid to retailers is scheduled to decrease beginning in year 4.

⁵ The lottery agency (the Ontario Lottery and Gaming Corporation or OLGC) owns and operates the charity casinos and slot facilities at racetracks. While OLGC owns the commercial casinos, another party operates them. This party receives a fee in addition to an operating budget.

						Lottery/Gaming Agency—None
West Virginia— Limited Video Lottery Terminal Program	Adult establishments with a valid liquor license (e.g. bars, taverns, fraternal organizations)	Poker, simulated reel game, blackjack, and keno	Approximately 57% (calculated based on fiscal year 2003 data)	No change	Retailer or Third Party Operator	Retailer or Third Party Operator— Purchase, rent or lease of terminals; maintenance of terminals; repair of terminals; license and permit fees Retailer—electricity Lottery/Gaming Agency—Phone or data connection
West Virginia— Video Lottery at Racetracks	Racetracks	Poker, simulated reel, blackjack, and keno	43.34% (calculated based on fiscal year 2003 data)	No change	Retailer (Retailer may lease terminals)	Retailer—Purchase, rent or lease of terminals; maintenance of terminals; repair of terminals; license or registration fees; electricity; phone or data connection Lottery/Gaming Agency—None