

April 23, 2014

**To:** Interested Parties  
**From:** Ben Tulchin and Corey O'Neil, Tulchin Research  
**Re:** **Senator Correa Online Poker Measure Shows Strong Support Among California Voters**

Our recent California statewide survey found that voters in the state strongly support regulating and taxing the profits of online poker. Furthermore, many elements of the recently proposed legislation authored by State Senator Lou Correa are very popular with voters throughout the state, including the idea of keeping the money that now goes overseas in California to fund essential services and create jobs as well as strong consumer protections. We provide below a summary of the findings from the survey.

### Strong Support for Regulating and Taxing the Profits of Online Poker

On a fundamental level, a solid majority of California voters want to see online poker regulated and have its profits taxed. Without being given any information or context about the topic, nearly two-thirds of **voters support “regulating and taxing the profits of online poker” (62 percent)**, which includes more than a third of voters (36 percent) who *strongly* support it. This level of support is more than twice as much as the number of voters who oppose this (28 percent), with the remaining 11 percent undecided.

#### Online Poker (Initial Uninformed Vote)

<i>Would you support or oppose regulating and taxing the profits of online poker, which is currently not regulated or taxed?</i>	
<b>Total Support</b>	<b>62%</b>
Strongly Support	36%
Somewhat Support	26%
<b>Total Oppose</b>	<b>28%</b>
Strongly Oppose	17%
Somewhat Oppose	11%
<b>Undecided</b>	<b>11%</b>
<b>Support - Oppose</b>	<b>+34</b>

### Measure’s Consumer Protection Elements Resonate Strongly

The survey found that one of the strengths of the Correa bill in terms of public support is its strong consumer protections. Notably, voters are attracted to age limits (21 years of age), protections against fraud, a bad actor clause that excludes companies that previously violated federal law from being permitted to run poker websites and efforts to reduce play among possible problem gamblers. Specifically:

- **Provides strong consumer protections to protect children and ensures no one under 21 years of age can play** (79 percent more likely to support the bill, 60 percent much more likely);
- **Provides strong consumer protections against fraud and to ensure fair play** (78 percent more likely, 52 percent much more likely);
- **Excludes any company that has previously violated federal online gambling law from providing online poker websites** (73 percent more likely, 50 percent much more likely);
- **Reduces problem gambling by establishing loss limits, cooling off periods and even the ability to prevent a problem gambler from playing** (69 percent more likely, 42 percent much more likely).

### Online Poker Support After Information

Upon hearing a description about how regulating and taxing the profits of online poker would work that includes specific elements such as age limits, revenue details and consumer protection assurances, support increases for regulating and taxing the profits of online poker by a net 8 points. Specifically, over two-thirds (68 percent) of voters support the proposal to just 27 percent who oppose it and another five (5) percent remain undecided. We lay out the specific language we tested and the corresponding support in the table below.

#### Online Poker Support (Informed Vote)

*Now I'd like to give you some information about online poker. Online poker is currently not legal but federal law permits states to make it legal if they want. Despite it not being legal, approximately one million people play online poker in California and spend hundreds of millions of dollars a year, with all of the money now going to off-shore companies. Online poker is currently unregulated, with no consumer protections or government oversight and none of the revenues stay in California.*

*As you may know, there is a proposal to legalize online poker in California, regulate it, provide consumer protections against fraud and have it run by California based gaming operators with a portion of the profits going to state and local governments for essential services and to help balance budgets. Under the proposal, all players must be 21 years of age and be physically playing in California, any gaming company that has violated federal online gambling law would be excluded, all revenue would be taxed at a 10 percent rate, and there would be annual audits and information to provide help to problem gamblers.*

*After hearing this information, would you support or oppose this proposal to legalize, regulate, and tax the profits of online poker in California?*

<b>Total Support</b>	<b>68%</b>
Strongly Support	39%
Somewhat Support	29%
<b>Total Oppose</b>	<b>27%</b>
Strongly Oppose	19%
Somewhat Oppose	8%
<b>Undecided</b>	<b>5%</b>
<b>Support - Oppose</b>	<b>+42</b>

The proposal as it was presented to voters above draws strong support across a myriad of demographic groups throughout the state.

- **Partisanship:**
  - Democrats offer the highest levels of support for online poker as more than three quarters (78 percent) endorse it;
  - Nearly two thirds of independent voters (64 percent) are in support; and
  - A majority of Republicans (58 percent) joins the coalition in supporting an online poker measure.
- **Geographic Regions:**
  - Voters in the Bay Area and LA County offer the highest level of support for online poker as nearly three quarters of voters in these regions in the state (74 percent and 72 percent, respectively) favor the proposal;
  - Voters in San Diego County (70 percent) and the surrounding counties in the LA area (66 percent) also show strong levels of support;
  - Solid majorities of voters in the Central Valley (62 percent) and the Sacramento Valley/North State (59 percent) also want to see online poker regulated and taxed in the state.
- **Ethnicity:**
  - Asian American voters show overwhelming support for the online poker proposal as more than 8-in-10 (88 percent) approve;
  - Latinos (72 percent), African Americans (69 percent) and Caucasians (66 percent) have similar degrees of strong support as well.

The table below illustrates the broad support for this proposal among key demographic groups.

**Support for Online Poker by Party, Region and Ethnicity**

	Total Support	Total Oppose	Undecided
<b><u>Total</u></b>	<b>68%</b>	<b>27%</b>	<b>5%</b>
<b><u>Party</u></b>			
Democrat	78%	17%	5%
Republican	58%	38%	4%
No Party Preference/other	64%	29%	7%
<b><u>Region</u></b>			
Bay Area	74%	21%	5%
San Diego	70%	23%	7%
Other L.A. Area	66%	29%	5%
L.A. County	72%	23%	4%
Central Valley	62%	35%	2%
Sacramento/North State	59%	34%	7%
<b><u>Ethnicity</u></b>			
White	66%	28%	6%
Latino	72%	25%	3%
Black	69%	31%	0%
Asian	88%	9%	3%

In sum, this poll clearly shows **California voters want online poker regulated and taxed in a way to maximize the benefit for the state and its citizens** while also ensuring the safety of participants.

**Survey Methodology:** *Tulchin Research conducted a statewide telephone survey in California among 800 likely voters. Interviews were conducted by telephone from April 15-21, 2014, using live interviewers calling both landlines and cell phones. The margin of error for this survey is +/- 3.5 percent.*