

REVENUE: No revenue impact

FISCAL: May have fiscal impact, statement not yet issued

Action:	Do Pass and Be Referred to the Committee on Ways and Means
Vote:	6 - 0 - 1
Yeas:	Cowan, Gelser, Gilliam, Kotek, Maurer, Tomei
Nays:	0
Exc.:	Olson
Prepared By:	Andy Smith, Administrator
Meeting Dates:	4/25, 4/27

WHAT THE MEASURE DOES: Requires Department of Human Services to establish Task Force on Problem Gambling to study costs to state government and to state economy resulting from emotional and behavioral problems related to problem gambling. Requires department to report findings to Legislative Assembly by September 30, 2008.

ISSUES DISCUSSED:

- Addiction behaviors of problem gambling
- State Lottery funding allocation for treatment
- Impact of line games
- Numbers of problem gamblers

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Oregon's Problem Gambling Services have an annual budget of \$4.65 million during the 2005-2007 biennium. These funds come from legislative action transferring one percent of the Oregon State Lottery's net proceeds into a Gambling Treatment Fund. The Department of Human Services (DHS) has administrative responsibility over these funds. Additionally, \$1.2 million of the Oregon Lottery's annual operating budget goes toward the production and purchase of ads and educational materials addressing responsible play and problem gambling.

In 2005, 1,548 problem gamblers and 294 family members of gamblers enrolled in publicly-funded gambling treatment with an average age of 44 years. Males comprised 50.6 percent of the gambler clients and 22 percent of the family clients. The racial breakdown mirrored Oregon's general census, with the majority of the clients reported as Caucasian (87 percent). Approximately 38 percent reported being married and the average annual household income was \$38,205. Over 54 percent of the clients reported they were employed full-time.

The primary gambling activity of both males and females who requested treatment was video poker (74 percent) followed by slot machines (11 percent), cards (6 percent), break opens (1.6 percent) bingo (1.5 percent), and keno (1.4 percent). Approximately 71 percent indicated their primary gambling was at a lottery retailer and 17 percent a Native American casino. The average length of time between when a person experience gambling problems and the time they sought help was 5.1 years. Problem gamblers experience a complex array of mental health, social, financial, and legal issues; 18 percent indicated suicide thoughts, 27 percent alcohol-related problems, and 11 percent drug-related problems. The average gambling related debt was \$23,127, with 66 clients reporting gambling debts in excess of \$100,000. Sixty percent reported they either jeopardized or lost a significant relationship or job because of gambling. Over 37 percent committed illegal acts to obtain gambling money.

Based on follow-up evaluation, approximately 80 percent of problem gamblers who complete Oregon's publicly-funded gambling treatment programs report either no gambling or reduced gambling at six-month follow-up. The adjusted successful program completion rate was 42.8 percent. Of those who did not remain in treatment, over 72 percent reported either no, or reduced, gambling at six months after leaving treatment.

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This summary has not been adopted or officially endorsed by action of the committee.