

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	8 - 0 - 0
Yeas:	Conger, Doherty, Esquivel, Hoyle, Johnson, Matthews, Kennemer, Schaufler
Nays:	0
Exc.:	0
Prepared By:	Theresa Van Winkle, Administrator
Meeting Dates:	3/9, 4/15, 4/20

WHAT THE MEASURE DOES: Requires the Oregon State Police to convene a work group focused on developing recommendations for a certification process on amusement devices placed in premises licensed by the Oregon Liquor Control Commission. Outlines membership of the work group. Establishes recommendations that are to be developed by the work group. Requires the work group to report the developed recommendations to an interim legislative committee related to criminal justice on or before July 1, 2012. Establishes as sunset date the convening date of the Legislative Assembly's 2013 regular session. Declares an emergency, effective upon passage.

ISSUES DISCUSSED:

- Examples of devices that are considered as a gray machine
- What constitutes a device to be considered as a gray machine
- History of gray machine and video poker legislation
- Criteria used in seizing gray machines from businesses due to potential violations
- Examples of items that the work group would discuss
- Rationale behind the measure's established timeframes of reporting to the Legislative Assembly

EFFECT OF COMMITTEE AMENDMENT: Replaces the original measure.

BACKGROUND: A "gray machine" is a type of device that gets its name because it provides a casino game, but cannot legally pay out winnings, instead awarding credits to the player for further play. Exemptions are established for personal home computers, Oregon Lottery machines, slot machines, and authorized devices that are used at trade shows or for demonstrative purposes, or for training and testing by the Oregon State Police.

House Bill 3124-A directs the Oregon State Police to establish a work group during the Legislative Assembly's 2011-2012 interim to develop recommendations for implementing a process for certifying that amusement devices placed in bars and restaurants that are licensed by the Oregon Liquor Control Commission are not a gray machine. The work group is to be operated in collaboration with the Oregon State Lottery Commission, and is to be comprised of a representative from both agencies, as well as a representative from the amusement device manufacturing industry, an amusement device distributor, and a full or limited on-premises licensee that is also a video lottery game retailer. The work group's recommendations must be reported to an interim legislative committee related to criminal justice on or before July 1, 2012.