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MEASURE: 3 HB 4083
EXHIBIT: 3
2012 SESSION H HUMAN SERVICES
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SUBMITTED BY: Julie Hynes

DATE: February 6, 2012
TO: House Interim Committee on Human Services
RE: HB 4083 relating to public harms associated with lottery games; creating new provisions; and amending ORS 461.200

Co-Chairs Tomei and Gilliam and Members of the Committee:

The Lane County Board of Commissioners has reviewed and is in support of this measure. We ask that you make a DO PASS recommendation today. Some key points on HB 4083 follow.

HB 4083 seeks to rectify a common misconception by adding clarity to the Oregon Lottery's mission statement as per ORS 461.200.

- In January of this year, a Lottery Commissioner stated at a public meeting she believed the term "commensurate with the public good" referred to the good things the Lottery does like fund parks, salmon restoration, and education. This interpretation is widely held and is incorrect.
- The original legislative intent behind the phrase "commensurate with the public good" was to operate a socially responsible lottery that sought to promote responsible gambling and take measures to minimize the number of persons that become addicted to lottery games.

HB 4083 seeks to operationalize "commensurate with the public good" through the creation of a comprehensive responsible gambling policy, and reflects a best practice approach toward responsible gambling that is utilized by other governments.

- The comprehensive responsible gambling policy described in Section 3 closely follows the Australian Productivity Commission's best practice "policy trilogy" strategy recommendations to reduce harm for people who gamble.
- The terms used in a-f in section 3 are terms widely used in the field of responsible gambling.

No additional funding would be needed to implement HB 4083.

- The fiscal impact statement of HB 4083 states "the Oregon Lottery is constitutionally restricted in how it can use Lottery revenues for administrative activities... The Lottery Commission notes that some of the activities required in this bill may not be allowable expenses of the Commission, and would require a General Fund allocation to pay these costs."
- In fact, Oregon Lottery's reported administrative costs consistently are well under its allowable 16 percent of total annual revenues for administrative expenses (currently four percent. No use of General Fund allocations should be necessary.



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Institutionalizing a proper social responsibility effort is in the State's duty of care to protect its citizens from the social and economic harms of problem gambling.

- The current four-member Marketing Advisory Panel to the Oregon Lottery is the first of its kind and was largely prompted by public perception of recent marketing campaigns, including "What's n Santa's Beard?" and the ORcade website. There is no mandate to institutionalize such oversight after the panel's tasks are complete later this month.
- Your passing of this bill would mean truly institutionalizing Oregon Lottery's duty of care in reducing harm related to problem gambling, formalizing integrity in this state agency's mission.

Thank you for the opportunity to be heard on this issue.

Sincerely,

Julie Hynes, M.A., C.P.S.
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Member, Oregon Lottery Marketing Advisory Panel
Member, National Council on Problem Gambling Prevention Committee