

Testimony for John Bockmier
HB 3518 - House Rules Committee Hearing
HR 50 - May 15th, 2013

Good afternoon Chairman Garrett, members of the committee and staff, my name is John Bockmier and I am here today representing my clients, the four non-Tribal card rooms in La Center, Washington. I am speaking today in favor of HB 3518.

My clients have owned and operated their four card rooms in La Center for the last twenty years. The businesses are regulated and licensed by the Washington State Gambling Commission. The regulatory environment within their clubs is very strict and includes; extensive background investigation and licensing procedures for all gaming employees and ownership, surveillance departments that are trained and staffed at all times, extensive accounting procedures laid out by state and federal tax agencies and constant monitoring from the Washington State Gambling Commission.

Approximately two years ago, my clients asked me to begin an extensive research project with regard to the new poker rooms that had begun to open in Portland and other areas of the I-5 corridor. The objective was to investigate as whether they were actually legal, and if so, would we be able to expand into Oregon and open additional facilities.

Over the last two years, I have met with representatives from a number of different levels of government which include; city, county, state and federal agencies. Among the over twenty different entities I have met with are; the Portland Bureau of Revenue, the Portland Police Department, Oregon Department of Labor, Oregon Department of Revenue and the Governor's Office.

We have also spoken with representatives from the Washington State Gambling Commission to get their thoughts on our consideration of opening another card room in Portland. Their response was not reassuring. They cautioned us about the questionable legality of the rooms and how it could endanger our current license with the Washington State Gambling Commission.

We also met with a representative from the Portland Police Department who was assigned to the enforcement of the social card rooms in Portland. The officer explained to us that he had taken obvious violators to the assistant district attorney and was told that due to budget constraints the city would not be placing resources into this obvious disregard for the law.

During several meetings with the Portland Bureau of Revenue, the regulatory authority for social gaming in Portland, we were consistently told that they were very aware of the problems with the current model and were working to develop a new set of regulations.

After waiting for over a year for those promised rules to be produced, we began to realize that this current model was not going to change. We were stymied. We had looked at opening a poker room in Portland and came to the conclusion that it was out of the question due to the obvious illegal nature of the business model.

I have been involved with the gaming industry as a player, employee, manager, share holder and consultant for the last twenty years. In all my years of gaming experience, I can easily tell you that I have never seen a gaming environment anywhere like the one you have here in Oregon with the social gaming model you are currently using for your poker rooms.

The poker clubs in Oregon have now gone unregulated with no over site what so ever for over two years. Players are exchanging hundreds of thousands of dollars every week with absolutely no surveillance, no licensed dealers, no background investigations, no tax structure and no accounting requirements. Despite all of these obvious concerns, the most interesting aspect is that of the so called "volunteer dealers." It's unbelievable to me that any regulatory body would accept this practice. The social gaming clubs use the term hobby when referring to the current program for "volunteer" poker dealers. I can assure you, managing a poker game with thousands of dollars at stake and a host of players involved is not a hobby, collecting stamps is a hobby. Dealing cards is a highly skilled profession and should be treated as such.

In closing, the poker clubs in Oregon have been very outspoken on two specific issues with regard to HB 3518. They have been very vocal about the potential job loss at the current poker clubs in Oregon and the concern about our government intruding on private citizens right to participate in gaming.

I find this to be a very curious response due to the fact that many of the businesses being negatively impacted by the current "social gaming" such as bingo rooms and other legal licensed gaming facilities have already had to reduce their work force due to the negative impacts from the poker rooms in Oregon. They have had to reduce their workforce laying off Oregonians who are paying state and federal taxes and receiving benefits. As for the infringement on personal rights, I personally enjoy playing poker and have done so for many years. Myself and my clients simply desire a platform that is both legal and secure. Thank you very much for your consideration and I would be happy to answer any questions you might have.