

[HB 2971 Testimony, March 29, 2017](#)

*Increases number of video lottery game terminals allowed on premises of race meet licensee that qualifies as video lottery game retailer to 50 terminals.*

Chair Paul Holvey and members of the House Committee on Business and Labor,

The Oregon Constitution prohibits casinos. Yet we have hundreds, even thousands, of ‘mini casinos’ in the state, with six slots apiece. There have been attempts to institute larger casino projects, but these would require amendment of the constitution. However, one organization has managed to sidestep this impediment. Portland Meadows has over 150 slot machines: The machines resemble slots and the bets are made on actual races from the past. The old races are on video, but horse names are withheld so bettors can't know the winner in advance. Gamblers could visit the track site year-round to place bets on the machines. (Oregonian, May 23, 2013)

In other words, these are pure games of chance, requiring no skill. The gambler is not even aware that their operation is governed by the results of some long ago and far removed event. If it looks like a slot, smells like a slot, and acts like a slot, then it's a slot. The horse races are a ruse; they are just a different form of random number generator as far as participants are concerned. Portland Meadows also has ten Oregon Lottery video terminals, i.e. government slots. and a huge poker room. Portland Meadows is a de facto casino, in violation of the constitution.

The addition of more gambling options troubles consultant Dr. Jeff Marotta, a problem gambling expert. "Electronic gambling machines are the most problematic form of gambling out there—outside of Internet gambling. There's a reason they're restricted," Marotta says.

Problem gambling is associated with bankruptcies, failed marriages, brushes with the law, even embezzlement and prison time. Those most affected may turn to suicide as the only escape from their addiction. Is expansion of gambling worth the cost to individuals and society?

Finally, others will argue this is good for business and the economy. However, just the opposite is true. Studies estimate the economic and social costs of gambling are at least as great as the generated revenues. Why bother?

Small and medium businesses in NE Portland will surely be hurt as some will spend their money at Portland Meadows, meaning fewer restaurant meals, theater tickets, bowling nights, even furniture, appliances and cars sold. But in this case, it is even worse. The vendor's profit goes to Canada, meaning dollars NOT spent in the local community have no multiplying beneficial effect on business and community. Please put this special-interest measure to rest, as it is not good for Oregon.

David Elsbernd, Board Member  
Voices of Problem Gambling Recovery

Sample Portland Meadows machine:

**Very Cherry**

**JACKPOT \$2,101.05**

	1 COIN	2 COINS	3 COINS
	\$700.38	\$1,400.68	<b>JACKPOT</b>
	\$53.16	\$106.32	\$159.48
	\$31.32	\$62.64	\$93.96
	\$15.42	\$30.84	\$46.26
	\$6.52	\$13.04	\$19.56
	\$6.52	\$13.04	\$19.56
	\$3.76	\$7.52	\$11.28
	\$3.76	\$7.52	\$11.28
	\$1.68	\$3.36	\$5.04

**3** **PAYS AT LEAST** **JACKPOT**

**2** **PAYS AT LEAST** **4X**

**1** **PAYS AT LEAST** **2X**

**Very Cherry** SUBSTITUTES FOR ANY ICON EXCEPT ITSELF

**PAY \$11.28**

**New game coming Tuesday 3/14**

**PAY** **PAY**



# Problem Gambling in Oregon and Public Health Concerns

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## Over 80,000 Oregonian adults have gambling problems, and most affected prefer Oregon Lottery games.

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- ✚ One in every 37 Oregon adults meets the criteria for being current problem or pathological gambler (*Moore, 2006*).
  - ✚ Most Oregonians in problem gambling treatment (7 in 10) report preference for video lottery retailers (*Oregon Health Authority, 2012*).
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## Problem gambling is connected with other addictions and is costly to Oregonians.

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The estimated annual social costs of problem gambling to Oregonians is approximately **\$508 million annually**, while we are only spending about \$4 million per year to prevent and treat the problem (*Oregon Council on Problem Gambling, 2012*). The following are data from problem gamblers in Oregon's gambling treatment system (*Oregon Health Authority, 2012*):

- ✚ **Financial Debt:**  
Problem gamblers reported an average of more than \$30,000 in personal gambling debts.  
1 in 4 gamblers experienced serious job-related problems.  
Half (47.3%) reported their gambling cost them a marriage or significant relationship.
  - ✚ **Alcohol Abuse:**  
About 3 out of 10 problem gamblers admit to struggling with alcohol.
  - ✚ **Suicide:**  
1 in 10 made a suicide attempt within six months to entering treatment.
  - ✚ **Crime/Legal Issues:**  
1 in 4 admitted they committed crimes to attain gambling money.  
One in ten reported legal problems.
  - ✚ **Drug Use:**  
1 in every 10 problem gamblers admits to having a serious drug problem.
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## Youth gambling is a growing concern and is connected to other risky behaviors.

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**One in every 25 Oregon teens** (ages 13-17) is at risk for, or meets the criteria for, problem gambling (*Volberg, 2007*).

**Youth gambling and other risky behaviors are connected.** (*Source: Oregon Health Authority, 2012*) Oregon Student Wellness Surveys from 2012 for 6<sup>th</sup>, 8<sup>th</sup> and 11<sup>th</sup> grade students show that kids who gamble are than those who don't are at (x 2) **twice** the risk to:

- ✚ have **abused alcohol + binge drank** in the past month.
- ✚ have **attempted suicide** in the past year.
- ✚ have **used marijuana** in the past month.
- ✚ have **skipped school** in the past month.

Gambling itself may not *cause* these other behaviors, but is highly correlated. There is increasing need for public awareness of problem gambling, in addition to more research needed on the effects of newer forms of gambling (particularly electronic and mobile gambling). Prevention and treatment efforts are seen as effective and vital in helping mitigate problem gambling.