

## **HB 2190 STAFF MEASURE SUMMARY**

### **House Committee On Business and Labor**

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**Prepared By:** Jan Nordlund, LPRO Analyst

**Meeting Dates:** 3/29, 4/14

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#### **WHAT THE MEASURE DOES:**

Allows cities or counties to authorize social games only if they are operated and controlled by charitable, fraternal or religious organization.

- No revenue or expenditure impacts

#### **ISSUES DISCUSSED:**

- Entertainment and tourism value of card rooms
- Whether card rooms conduct background checks on employees and provide security and surveillance
- Competition with non-profit card rooms
- Portland Meadows reliance on revenue generated from poker players
- City of Portland's recent enforcement action
- Desire by poker club owners for more state regulation
- Whether poker playing is dominant use
- How card dealers are paid and whether they can be volunteers

#### **EFFECT OF AMENDMENT:**

No amendment.

#### **BACKGROUND:**

Cities and counties have had statutory authority to adopt ordinances allowing social games to be played in private businesses, private clubs, and places of public accommodation since 1974. As defined in Oregon statutes, a social game is a game between players in a private home where no house player, house bank or house odds exist and there is no house income from the operation of the social game; and, if authorized by a city or county pursuant to ORS 167.121, social games can take place in a private business, private club or place of public accommodation. Social games are not considered gambling for purposes of enforcing gambling laws.

The Bureau of Labor and Industries issued a ruling in 2015 against a Portland poker club for unlawful minimum wage and record keeping violation. One or more persons volunteered to serve as the poker dealer, but BOLI ruled that people cannot volunteer their services for private, for-profit employers. After informing all poker clubs licensed by the city that the dealer must be a player and after conducting investigations, the City of Portland issued enforcement letters in December 2016 to four poker clubs for violating the dealer-player requirement.