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| Sent: | Sunday, May 7, 2017 5:56 PM |
| То: | Sen.KimThatcher@state.or.us |
| Cc: | SGGA Exhibits |
| Subject: | Fwd: House Bill 2190 re. Social Gaming - Poker |
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Dear Senator Thacher:

Flag Status:

I followed the subject Bill 2190 quite carefully in recent weeks as I knew that approval would disrupt the social lives of many people in the state, including myself. However, I was confident, mistakenly in retrospect, that the Bill would not pass in the House. In my view there was simply no rationale for changing the current law that allowed so many Oregonians to enjoy this pastime. Of course, the Bill did pass and because of this I thought it would be helpful to share some of my thoughts for your consideration as you evaluate this Bill.

Over the years, I have enjoyed poker in many of the social poker rooms in Oregon including those in Portland and in Deschutes County where I reside. I've also enjoyed the game in several of the Native American casinos and therefore, I have a fairly comprehensive understanding of the poker scene in the state. First, however, I would like to concentrate on the local site, called appropriately, The Bend Poker Room. It is an attractive and comfortable room, conveniently located in the Shopko shopping center. The poker business located there about a year and a half ago from another location in Bend to accommodate increased interest and participation. A typical evening in the room may involve 60 or more players from all walks of life. Some participate more often than others but, over a period of time there is a significant population from the area and visitors to our area that enjoy this location and the pastime of their choice. And I don't think this local room is much different that others in the State, whether Eugene, Portland, Albany and so on.

One of the speakers on the House floor last week (video) implied that many shocking and illegal activities are carried on or otherwise connected with the social gaming rooms in Oregon. In my experience, this is a terrible misrepresentation; nothing could be farther from the truth. I've been at a poker table with a retired couple, a widower (like myself), college students, business owners, carpenter, laborer, doctors, law professor, school teacher, taxi driver and so on. Fact is, the players represent a typical cross section of Oregonians enjoying a completely legal pastime of their choice. Players I have talked to in the past week or so simply can't believe, after many years of legal poker in this area, that the activity could actually be shut down.

I also note, regarding the current Bend location, all of the equipment and leasehold improvements in the room represent a lifetime investment by the sole owner. A classic small business enterprise where the owner saw a public need and invested after they calculated they could make a small, but acceptable return, but importantly, not from poker games where 100 percent of the wager is returned to the players. The fact is, most of the licensed rooms in Deschutes County had such difficulty making a profit from operations (food, beverage, membership fees) over

time, they closed. So, social poker, working within the law, is hardly the lucrative business suggested by some. The Bend Poker Room is licensed by the City (typical for other locations) and has complied with the law now in existence. I note at one time in fairly recent history, the Deschutes County District Attorney instructed all operating poker sites in the County that if they wished to continue business in the County, "these are the rules" or words to that effect. And in the years since, the "rules" have been followed to the letter. A thought: Under these circumstances, at minimum it would see that existing rooms should be "grandfathered".

With this Bill having passed the House, we have the prospect of legislation that will outlaw businesses that have followed the law and find retroactively that their business is redefined as unlawful. This is terrible. And more particularly because there is no rationale or citizen benefit in the legislation that I can fathom and certainly no player benefit. It will, of course, sweeten the poker business for Native American Casinos in Oregon and the enterprise just north of the Columbia River in Washington. In any case, the players I've talked to recently are thoroughly puzzled at this disruptive legislation.

On of the Bills proponents on the Oregon House floor (video) argued that social poker rooms are "unregulated" and suggested somehow they would regulated in the charitable, fraternal and religious sites permitted in the Bill. Fact is, all the poker games in the present social sites throughout Oregon are strictly controlled by published rules, including those standard tournament rules published and used in Nevada and elsewhere nationally. And in the commercial social gaming rooms the rules are effectively enforced by knowledgeable people (owner or others) that oversee the game. Those persons that do not obey the rules or otherwise don't fit the social aspect of the game, are not allowed to play. To suggest that the religious and other sites permitted by this Bill could accommodate the player needs (60 plus players per nite in our area) is utterly wishful. Moreover, some or most wouldn't even want the activity in their facilities nor would they make the many upgrades needed to properly handle the game. And finally, on this point, the permittee sits neither have the experience or skill to effectively manage the game in accordance with the "rules".

In the category of what's good for the players, I can tell you that the commercial rooms in Oregon are a major benefit for those Oregonians that incline to enjoy this pastime. The for profit casinos, including the Native American sites in Oregon and elsewhere and the nearby Washington site, take a "rake" or a monetary cut from every pot. And they extract a considerable fee for every tournament. These charges represent an important negative factor that poker players must overcome and are the source of income for all casinos. The Oregon social rooms make no such charges, period. It is truly a social game as the present law intended. Also, importantly, and to the players benefit, the current law prevents the game from going "underground" to uncontrolled sites as history instructs or, it keeps players from traveling out of state to avoid the "underground" route.

A final thought or two on the game of poker. It is said that poker is a game that can be learned in an hour but, it takes a lifetime to perfect. It is a mentally challenging and stimulating game of skill. It has been with us for ages. Presidents Eisenhower and Truman played the game as did President Nixon. And wherever one went during WWII there were poker games. So, the game has been solidly planted in our culture with a long history - but it exploded in popularity maybe 15 years ago. First, a relatively new game structure was introduced that was more player friendly. Then the game had television exposure with the ability to "see" the players hidden cards through the magic of TV. (Without "seeing" the hidden cards, watching poker can be quite boring.) As a result of these subtle factors, viola, the games popularity grew exponentially almost overnight and the character of those that participated in the game morphed to a complete cross section of American society. Also, I should add, the game went entirely non-smoking.

Thank you for taking the time to consider the factors I have outlined in connection with HB 2190 and in conclusion, I trust that you will agree a NO vote is the right thing.

Respectfully,

Ed Gardner

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