



**TO:** The Honorable Senator Chuck Riley  
Senate Committee on General Government and Accountability

**FROM:** Jeff Marotta, Ph.D., NCGC-II

**DATE:** May 9, 2017

**SUBJECT:** HB 2190 – Modifies definition of "social game" for purposes of regulation of gambling.

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Chair Chuck Riley and members of the committee, my name is Jeff Marotta. I am an Oregon citizen, recognized expert in the field of problem gambling, and past administrator of the Oregon Health Authority's problem gambling programs. As a person deeply involved in Oregon's efforts to mitigate gambling related harm, I am gratified to find the Oregon legislature is taking up the issue of social gaming.

Oregon's current social gaming rules are among the most liberal in the United States and this has created several problems:

- No age limits allow minors to legally gamble in counties and cities that neglected to include age restrictions in their ordinance;
- Labor laws conflict with social gaming regulation regarding dealer compensation;
- Unlike other forms of legal gambling, responsible gambling measures are not required leading to the absence of practices to mitigate problem gambling harm;
- Lack of regulatory oversight and enforcement of local and state laws.

The simplest solution to address the above issues is to modify the definition of social gaming in the same way it has been done in other states. Most states differentiate social gaming as wagering among friends in a non-public area, from gambling which is an individual act done in a casino or other public gaming establishment. By clearly differentiating social gaming from gambling, enforcement will move from regulatory oversight which is very lacked in most Oregon communities to policing of gambling operations that are clearly illegal.

I urge you to consider moving beyond the current legislation's amendment to redefine the type of organization that can offer social gaming to one that more clearly differentiates social gaming from other forms of gambling. An example definition of "social gambling" from Hawaii, Law 712-1231 that will resolve all the above-mentioned problems with Oregon's current definition is as follows:

"Social gambling" means gambling in which all the following conditions are present:

1. Players compete on equal terms with each other; and
2. No player receives, or becomes entitled to receive, anything of value or any profit, directly or indirectly, other than his personal gambling winnings and
3. No other person, corporation, unincorporated association, or entity becomes entitled to receive, anything of value or any profit, directly or indirectly, from any source, including but not limited to permitting the use of premises, supplying refreshments, food, drinks, lodging or entertainment; and

4. It is not conducted or played in or at a hotel, motel, bar, nightclub, cocktail lounge, restaurant, massage parlor, billiard parlor, or any business establishment of any kind, public parks, public buildings, public beaches, school grounds, churches or any other public area; and
5. None of the players is below the age of majority; and
6. The gambling activity is not bookmaking."

Thank you for taking up the cause to address the well documented problems related to Oregon's current definition of "social gaming" and for the opportunity to provide my observations and recommendations.

*Jeff Marotta*

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