

HB 2190 STAFF MEASURE SUMMARY

Senate Committee On General Government and Accountability

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Meeting Dates: 5/10, 5/17, 5/31

WHAT THE MEASURE DOES:

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

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

[-2 amendment] Permits cities and counties to regulate social games at private, for-profit businesses as well as those operated by nonprofit entities. Makes explicit that proceeds from games operated by nonprofit entities must be for the nonprofit entity; that when there are dealers, each player must rotate as dealer; that *for-profit* entities may not organize, or charge admissions, fees, or rent for space or equipment. Provides that for-profit entities may sell food and drink and advertise. Establishes civil penalty of up to \$1000 per knowing and intentional violation.

BACKGROUND:

Social games are not considered gambling for purposes of enforcing gambling laws: they are defined as games between players in a private home where no house player, house bank or house odds exist and where there is no house income from operation of the game. Cities and counties currently have statutory authority to permit social gaming at private businesses and clubs as well, and in places of public accommodation. In 2016 a Portland poker club was determined to be in violation of minimum wage and record-keeping requirements by the Bureau of Labor and Industries where one or more persons had volunteered to serve as dealers, finding that individuals cannot volunteer for a private, for-profit employer. The City of Portland then issued enforcement letters to a handful of other poker clubs.

House Bill 2190 limits cities and counties to authorizing social games on premises operated and controlled by charitable, fraternal and religious organizations only, and no longer on the premises of for-profit, private businesses or clubs. The ability to play social games in private homes remains unchanged.