

Chairman Riley, members of the committee, I'm David Elsbernd representing Voices of Problem Gambling Recovery.

I'd like to speak about rent control, and the lessons it provides relative to the bill at hand.

In New York, in 1943, rent control was initiated at a time of full wartime employment when housing was difficult to find. It also helped returning GIs after the war to get back on their feet. But in succeeding years it became more and more difficult for young renters and poor renters to find housing. Soon rent control was harming many of the individuals it was most meant to help, and benefitting the well to do who hung on to low rent apartments. Case studies of rent control and the associated unintended consequences have made their way into Econ101 classes. This is not to disparage rent control entirely, it's to point out we must be well aware of the law of unintended consequences, and plan for possible mitigations to those consequences. The second lesson is that once in place, it's difficult to dislodge or repair programs like this.

Now the Oregon Lottery wants to introduce internet gambling on some of their games and also sports gambling via the internet. Previously, the legislature was responsible for approving traditional lottery draw games and subsequently for approving introduction of video lottery terminals. But internet and sports gambling are proceeding without proper legislative oversight. We believe this should not occur without a frank discussion of intent, consequences, and mitigating actions that should be in place before internet gambling is implemented. We're not in favor of internet gambling as promoted by the state, but we'd be happy to be party to such a discussion. We think this is a proper discussion since, according to an Oregon Lottery survey from 2016, just one in eight Oregonians thinks that Oregon Lottery products should be available on the internet.

If the Oregon Lottery is allowed to proceed with internet gambling without proper external guidelines and oversight, this may be harmful and difficult or impossible to reverse. We urge the committee to pass this bill with all amendments in order to act with prudence and caution regarding internet gambling.

Sincerely,

David Elsbernd, President, Voices of Problem Gambling



R&A RESEARCH ANALYTICS

## PERCEPTIONS RE: LOTTERY AND OTHER GAMBLING

- *It is up to each individual and not the state to control their own gambling (67%)*
- *There is too much gambling in Oregon (32%)*
- *I am opposed to gambling in ANY form (22%)*
- *It's time to consider banning all forms of gambling, Including the Lottery (19%)*



- *I like to play the Lottery (27%)*
- *I prefer casinos to Oregon Lottery (26%)*
- *Lottery games should be available for purchase on the Internet (12%)*