

TO: The Honorable Nancy Nathanson, House Committee on Revenue

FROM: David Elsbernd

DATE: February 17, 2020

SUBJECT: HB 4057 – Prohibits Oregon State Lottery from offering games based on outcomes of sporting events organized by, sponsored by or played in connection with post-secondary institutions of education.

Dear Chair Nathanson and members of the committee, I am testifying in support of HB 4057.

There are many reasons to oppose lottery games based on college sports. But I'd like to highlight one in particular.

There will be an argument made that the state needs the revenue from college sports gambling. However, this must be studied from a cost/benefit standpoint. 2.6% of Oregonians are problem gamblers. If half of these are pathological gamblers, that's still 54,600 Oregonians. And if the average cost per pathological gambler is \$10,000 per year, then gambling from pathological gamblers costs Oregon about \$546 million dollars a year.

In summary:

- The cost/benefit ratio of adding college sports gambling is marginal at best.
- If the mandate of the state is to provide for the welfare of its citizens, then any purported benefit is nullified by the suffering that will be caused.
- Sports betting which is available on a collegiate level sends the wrong message to students.
- Student athletes already are under pressure due to their peripheral awareness of others who informally gamble on their performance. State sponsored gambling will only make this much worse.
- Mitigating efforts via increased education and scholarships will not have much effect on pathological gambling, especially if collegiate sports gambling becomes readily available via phone.

I sincerely hope you support this measure, because lottery based collegiate gambling is not a good idea.

Thank you for your consideration,

David Elsbernd, Voices of Problem Gambling

References:

Gambling and Problem Gambling in Oregon: https://oregoncpg.org/wp-content/uploads/2018/01/OCPG_Handbook_3-12-18.pdf

Pathological Gambling: A Critical Review: <https://www.ncbi.nlm.nih.gov/books/NBK230631/>

Understanding the Costs of Gambling Addiction:
www.casinowatch.org/addiction/understanding%20_costs%20_gambling_addiction.html

The Hidden Social Costs of Gambling: <https://www.baylor.edu/content/services/document.php/144584.pdf>