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HOUSE OF REPRESENTATIVES

May 27, 2021

The Honorable Representative Barbara Smith Warner, Chair Committee on Rules Oregon House of Representatives

Ref: HB 3394

I believe HB 3394 is among the most important measures the 81st Oregon Legislative Assembly will consider. This statement is not made as a chief sponsor but rather as a student of history – an Oregonian gravely concerned about the lingering consequences of benign neglect on the lives of family, friends, and neighbors.

Our gambling regulatory framework was broken long before COVID-19 hit us. COVID-19 provided increased opportunities for those unable to prevent themselves from gambling with virtually unlimited access to participation in activities designed to play upon the emotions associated with isolation.

Unfortunately, the Legislative Branch has little or no authority to provide appropriate oversight and review as a part of the "checks and balances" inherent to our shared governance. Despite the wishes of at least a few in Oregon gambling enterprises, three branches of government remain at the heart of our Federalist System.

Technological advances in gambling have made it a much more complex industry than scratch-it tickets you can buy at the corner market or the line game you can play at a bar and restaurant. The entire industry has advanced while Oregon stays stagnant in terms of regulating gambling. Several of the sponsors of HB 3394 have been trying – and failing for the past three years – to bring order to the "Wild West" that is gambling in Oregon.

Like everything else, gambling is rapidly expanding access for players via mobile or personal devices. We have seen the State Lottery attempt this expansion, and the Oregon Racing Commission has already done so, without adequate public or legislative oversight and input. These actions, while legal, have not been implemented in an open, transparent manner required for such a significant policy shift.

The games themselves have also become more sophisticated. Once there was a clear distinction between historic horse race machines and random number generators like bingo machines. Technological advancements have made these games virtually indistinguishable, but our laws and regulations still treat them separately, leading to a fragmented and broken state gambling policy and regulatory structure.

Gambling is gambling, but our statutory definitions are antiquated and based on gambling practices and policies of 25 years ago.

I am not here to advocate for or against gambling or for or against one industry.

I am here because we cannot allow the state to continue down this path without understanding in full the impact it will have on our communities, our youth, Tribal governments, marginalized populations, local economies, and, as importantly, those prone to addiction.

This issue is not a partisan one, as reflected by the co-sponsors of the bill. And it should not be one, though I know we are approaching the end of the session when emotions can run high, and personal conflicts can get in the way of good policy.

We cannot let this bill be one of those pawns. Too much is at stake. If unchecked, our state is on a path to allow greater access by more people, faster games that are more addictive, and will not only harm individuals but have devastating impacts on our Tribes and local economies.

We must hit a pause, bring the right experts to the table in a public process, and reset the structure of gambling in Oregon so that the future is built on transparent, accountable, and responsible policies with the right people overseeing it and appropriate checks along the way.

Thank you for your time, and I hope you will join me in putting any differences we may have aside and unify in support of this critical piece of legislation that will impact every corner of our state.

Respectfully,

PILC