

**March 28, 2023**

## **House Committee on Gambling Regulation**

### **Chair Statement**

The House Committee on Gambling Regulation is a continuation of the legislative process that began on June 22 with the appointment of the Joint Interim Committee on Gambling Regulation. That committee held six meetings culminating in a progress report that was presented to the Senate President and Speaker of the House on December 7, 2022. The report summarized issues discussed, findings and recommendations for continued work into the 2023 session. With the start of the new session, it was decided to continue the work with appointment of the House Committee on Gambling Regulation.

The committee was originally proposed based on concerns raised by our Tribal Communities over the growth of state gambling, the potential impacts on Tribal Gaming of continued growth, no clear direction at the state level regarding state gaming and the fact that no complete review had occurred at the legislative level since the citizens in Oregon authorized the Lottery in 1984. Maintaining the status quo is not without risks for all who rely on gambling receipts for important programs and is probably not realistic with growing threats to current gaming.

The public hearing tonight on HB 3154 is not intended to be tribal consultation, but rather a public hearing on the measure for all who have an interest in providing input before any final consideration on the measure. This committee is not proposing an expansion of gaming at this time, but we know forces and issues currently exist that might indicate opportunities for expansion do exist. HB 3154 is meant to start the conversation, hence no clear concept currently. Several tribes and other interested parties wanted to express thoughts on this concept privately. This is an opportunity for the committee to receive those thoughts firsthand.

HB 3154 does not focus on IGRA gaming. The Committee has a broad purview to learn about all types of gaming in Oregon and receive appropriate background

information. This includes revenues received from Gaming, how gaming affects people and the relationship between State Government and the Tribes. As a legislative committee transparency is paramount, hence conducting our business in open meetings and encouraging honest and frank conversations is necessary to ensure any final recommendations or legislation reflects conditions on the ground and potential changes to enhance all our understanding of the importance of Gaming in Oregon to all parties.

Currently some of the key focus areas for the Committee are:

1. Impact of gaming on Oregon citizens, especially those most vulnerable with the least ability to sustain ongoing gaming losses.
2. Programs available to address problem gambling and the current low rate of citizens utilizing the available help.
3. Illegal gambling could be increasing, and the ability to minimize the number of citizens using this opportunity rather than the many legal methods available in our state.
4. The changing technology that is making both illegal and legal gambling easier for citizens and in many cases is leading to challenges for those who provide opportunities for gambling through current traditional methods.
5. Changing demographics is also impacting what is expected to be offered in legal gambling. One example is college sports betting which is typically a younger generation game, but the younger generation views being able to play not based on a certain location or format. It is currently not clear how much additional revenue this source might provide, it is but one example of illegal betting, that if captured would likely result in new revenue and potentially capture more of the younger generation gamblers.
6. Other forms of wagering in Oregon, beyond the Lottery and Tribes and the appropriate role and oversight.
7. Given the importance of revenue from the Lottery to support programs and critical bonding for projects throughout the state, the Legislature has an obligation to understand current and potential new threats to that revenue stream. In addition, it is important to understand the longer-term revenue trends that might require a different approach to ensure the revenue needed is available into the future.

All parties need to understand that this committee has no hidden agenda or plans to try and alter the landscape in Oregon regarding gaming. At the same time many valuable programs are funded by the Tribes and the State from gaming revenues. This committee welcomes suggestions, questions and any other input as we work to provide an overall gaming policy direction for Oregon.