

To: Oregon House Of Representatives Committee on Business and Labor
Date: February 11th, 2020
From: Kitty Martz, CGRM, CGAC II, MBA
Re: **HB 4153; Prohibits High Transactive Velocity Lottery Games on Mobile Devices**

Thank you for your consideration in support of **HB 4153**, a bi-partisan effort.

Less than 5 months ago (09/17/19), this committee asked Matt Shelby, Oregon Lottery Public Information Manager, what legislation was passed to authorize the launch of a proposed mobile sports gambling app. He responded that, **“The Oregon Constitution gives the lottery commission broad authority to provide any game of chance through current or future method.”** There was no public or legislative consent sought and no presentation of impact studies or peer reviewed research. There was, to put it simply, a publicly sponsored app that turned 4,000,000+ cell phones and computers into potential gambling devices.

As someone on the front lines of gambling treatment services, I can report that in the short time the *Scoreboard* app has been available we have already seen a significant number of individuals who have found themselves addicted to this platform. The lottery has lost \$2,200,000 since the November, 2019 launch. They are now litigating a series of lawsuits brought against them (and the DOJ) by their Malta-based platform contractor, SBTech, over contract transparency issues. ⁽¹⁾

In his testimony, **Matt Shelby also stated that Lottery Director Barry Pack, The Lottery Commission, and the Governor’s office are committed to not offering video lottery style games on a mobile phones**. Shelby specifically said that, **“We do not believe that passes the responsible gambling test or threshold for us, so that is something that will not be offered via the mobile channel”**. He is right. Research identifies the following variables as being correlated with increases in problem gambling:

- Ability to play in isolation
- Convenient/electronic transfer of currency
- Consistent availability
- Ability to easily conceal gambling from others
- High speed of betting that creates an uninterrupted disassociate state

These are all characteristics of Scoreboard. Speed of play may especially be problematic should Vegas-style line games be permitted on digital devices.

I urge this committee to please be aware of how specific language must be when it comes to this rapidly evolving field. It is my understanding that there already exists the technological capability for lotteries to sell digital “stacks” of “instant scratch-it tickets” that can essentially be played with the mere brush of a finger. Mobile high-speed BINGO and Keno games could have a harmful impact equal to, if not more harmful than, slot-machine style games. Even as of today, February 11th, less than 24 hours before your committee meets, the lottery has crafted an amendment that is attempting to limit this bill to “graphics of 3 or more spinning reels”. That is far too narrow of a definition. “High transactive velocity” is the industry term of choice for describing their intentions. We need to define what that means exactly and establish the legislative intent going forward.

More than 100 of my clients have expressed concerned about the potential availability of digitally accessible Vegas-style games, unanimously believing it could have a severe and negative impact on their recovery. Many of these individuals could be, through no fault of their own, disproportionately impacted by digital gambling: they are older adults, disabled, they are suffering from a co-occurring disorders and/or socio-economically marginalized.

Please let this bill be, not about money, but about what it is, a belief that our vulnerable population deserves care and protection rather than exploitation.

Thank you.

(Source)

- 1) <https://www.legalsportsreport.com/36988/oregon-sports-betting-sbtech-lawsuit/>