

TO: Chair Wilde and Oregon House Committee on General Government
FROM: Kitty Martz, CGRM, CGAC II – Oregonian
DATE: March 9, 2021
SUBJECT: **Support for HB 3078 – Prohibits Oregon State Lottery from offering games playable via mobile phone, personal computer or other personal electronic device, except for certain sports betting and multistate numbers drawing lottery games.**

Dear Chair Wilde and honorable committee members:

I am writing today in support of HB 3078, as it will serve to:

Require future Lottery online gambling expansion to be legislatively approved.

- This bill revisits the legislative intent and oversight of Oregon’s publicly operated gambling policy. Oregon’s legalized gambling landscape was significantly altered with the advent of state supported online wagering in 2019. This occurred without legislative approval or through public input. HB 3078 prevents further expansion of online lottery gambling platforms without first acquiring legislative approval.

Ensure future Lottery platforms will maximize revenues while being in the best public interest.

- “A recent study by the UK’s Gambling commission, which regulates the industry in that country, found that 1.2 percent of people who gamble have developed a problem. When just online sports betting is considered, that figure rises to 2.5 percent. **For online games like roulette, slots and virtual sports, which are basically number generators, its 9.2%.**¹

Internet gambling on random number generated games is, therefore, 268% more addictive than the Lottery’s current Internet sports gambling, **and 666% more addictive than gambling** generally.

- Under Oregon law, the Lottery has a duty to maximize revenue commiserate with the public good. ORS 461.200. The Lottery’s potential future efforts to introduce Internet gambling that is potentially more addictive than other forms of gambling without proper public input and research suggests the Lottery requires more robust legislative oversight.
- ORS 461.820(1)(b) requires the Lottery to operate the Lottery in a manner that “*minimizes* harm to individuals, families and communities caused by problem gambling.”(emphasis added). Introducing new Lottery games that are reported to be more highly addictive than other forms of gambling, without further research and robust public input from individuals, families, and communities, does not fulfill the Lottery’s duty to “minimize” harm to individuals, families, and communities caused by problem gambling.

¹ <https://www.dw.com/en/coronavirus-and-online-betting-a-perfect-storm-for-gamblingaddicts/a-53094333>

- ORS 461.820(2)(c) requires the Lottery to “[r]ely on research to inform all areas of responsible gambling.” ORS 461.820(2)(g) also requires the Lottery to “[a]pply evidence-based considerations to the implementation of lottery games...and discourage problem gambling.” Failing to heed the precautionary principle and introducing new forms of gambling without more through consideration of its impacts on problem gambling does not appear consistent with this duty.

Prevent gambling related social and economic risks to Oregon.

- Higher rates of disordered gambling have been found amongst Internet as compared to land-based gamblers.²
- Legalized internet gambling is expected to increase the number of Oregonians who gamble on a regular basis thereby increase problem gambling incidence rates.³

As an individual who has personally experienced disordered gambling, I am deeply concerned that the ability to gamble on Lottery operated handheld games will be detrimental to Oregonians. Oregon is already the 8th most addicted gambling state in the country. We need to explore other revenue sources than publicly operated highly addictive platforms that might be launched without careful legislative consideration.

Thank you.

Sincerely,



Kitty Martz, CGRM, CGAC II

² Gainsbury, S. M., Russell, A., Wood, R., Hing, N., & Blaszczynski, A. (2015). How risky is Internet gambling? A comparison of subgroups of Internet gamblers based on problem gambling status. *New media & society*, 17(6), 861-879.

³ <https://www.bizjournals.com/portland/news/2019/10/18/opinion-what-the-oregon-lottery-s-sports-betting.html>