



February 16, 2022

Senate Rules Committee
SB 1503

Chair Wagner, Vice Chair Knopp, and Senators Girod, Manning Jr, and Taylor,

We are writing in opposition to Senate Bill 1503. Our opposition is based on our support for House Bill 4046, which was introduced at our request to pause any expansion of state-regulated or sponsored gambling until a comprehensive review of Oregon's gambling regulatory structure can be completed and recommendations made to the next legislature.

We have been urging for a pause and study for nearly two years. We are deeply concerned about gambling expansion by the state - especially with the evolution of technology that promotes faster play and expands gaming options. If continued unchecked, such growth will have significant detrimental impacts on addiction, tribal self-sufficiency, and Oregon's rural economies.

The need for a pause is evidenced by the push by Lottery and private companies to expand gambling options over the last ten years without adequate public engagement, legislative oversight, or tribal consultation.

The Lottery had plans to expand into fantasy sports before the Governor directed the agency to stop exploring mobile gaming. The Oregon Racing Commission introduced legislation to expand their authority to license private mobile sports betting companies after the commission licensed the online casino Luckii, which took legislation to shut down last year.

The recent Oregon Department of Justice opinion that the HHR slot machines proposed at the Flying Lark are games of chance, and that 225 HHRs in the Flying Lark would constitute an unconstitutional casino, is just one more reason the state needs to review the current regulatory framework. Furthermore, the Secretary of State's office is also in the process of a performance audit of the Oregon Racing Commission because of the technological advancement in gaming and the risks it brings to the state if not adequately regulated.

Our tribal governments rely on our gaming revenues to support public services for tribal members, in addition to the other economic contributions we provide to some of the most rural parts of the state. We understand the state is also looking at ways to leverage gaming to support services like the Oregon Opportunity Grant program. However, there must be a balance that allows for governmental gaming - state or tribal - to protect public welfare.

So we urge you to support our call for a pause and to establish a bi-partisan Joint Special Committee to study all of these issues so that we can have a state regulatory structure that protects the public, promotes responsible gambling, funds more addiction treatment, supports state services and economic development, and honors tribal sovereignty in our government to government relationship.

We look forward to working with you on these critical issues.