

SENATE COMMITTEE ON
TRADE AND ECONOMIC DEVELOPMENT

March 14, 1995 Hearing Room 137
8:00 a.m. Tapes 44-45

MEMBERS PRESENT: Sen. John Lim, Chair
Sen. Bill Kennemer, Vice-Chair
Sen. Bill Bradbury
Sen. Gene Derfler
Sen. Joan Dukes

MEMBERS EXCUSED:

STAFF PRESENT: Joseph Cortright, Executive Officer
Jeri Chase, Office Manager
Bobby Sullinger, Committee Assistant

WITNESSES: Greg Walden, Senator, District 28
Bill Markham, Representative, District 46
Gail Ryder, Oregon Newspapers
Ellen Lowe, Ecumenical Ministries
Gary Weeks, Director, Oregon Lottery
Cindy Becker, Oregon Lottery
Steve McCoy, Association of Oregon Food Industries

MEASURES HEARD: SB 700 - Prohibits Oregon State Lottery from advertising
lottery games in any broadcast or printed medium - PH

These minutes contain materials which paraphrase and/or summarize
statements made during this session. Only text enclosed in quotation marks

report a speaker's exact words. For complete contents of the proceedings,
please refer to the tapes.

TAPE 44, SIDE A

001 CHAIR LIM: Brings the committee to order at 8:04 a.m.

SB 700 - Prohibits Oregon State Lottery from advertising lottery games in
any broadcast or printed medium - Public Hearing

004 CHAIR LIM: Opens PUBLIC HEARING on SB 700.

007 CORTRIGHT: Overviews Senate Bill 700.

010 SEN. GREG WALDEN: Presents testimony against SB 700.

040 SEN. WALDEN: FOR THE RECORD: The Oregon Lottery has purchased advertising
time from my radio station over the years.

051 SEN. KENNEMER: Does your radio station provide public service
announcements of the winning Mega Bucks, and Lucky Fours numbers?

054 SEN. WALDEN: Lottery results are categorized as news not public service
announcements. My radio station does report lottery results.

068 CHAIR. LIM: What percentage of revenues do you derive from lottery
advertising at your radio station.

070 SEN. WALDEN: I do not have the figures now, but I can consult with my
accounting people and get that information to the committee. I do not
think it is a very large percentage.

087 CHAIR LIM: Closed PUBLIC HEARING on SB 700.

088 Committee discussion relating to the letter accompanying SB 357.

090 SEN. BRADBURY: I am comfortable with the letter as it has been drafted.
I would like us to express our views relating to Workforce, and regional
Workforce Councils in the letter.

107 SEN. KENNEMER: I support the idea, but I would rather we send a separate
letter relating to the issue.

120 CHAIR LIM: Is there any other discussion relating to the letter
accompanying SB 357 to the Joint Committee on Ways and Means.

126 SEN. KENNEMER: I am not entirely supportive of all of the recommendations
in the letter.

132 Committee discussion relating to signing the letter which will accompany
SB 357 and drafting another letter later relating to the Workforce issue.

146 CHAIR LIM: Opens PUBLIC HEARING on SB 700

150 REP. BILL MARKHAM: Presents testimony against SB 700.

181 GAIL RYDER: Presents written testimony against SB 700 [EXHIBIT A].

229 SEN. KENNEMER: Presents a letter from KZZR radio station against SB 700
[EXHIBIT B]. The owner of KZZR radio views reporting lottery results as a

public service. What do you call reporting lottery results.

238 RYDER: I would consider it news not a public service announcement.

242 CHAIR LIM: Overviews list of people opposed to and in favor of SB 700 [EXHIBIT C].

277 ELLEN LOWE: Presents testimony in favor of SB 700.

350 LOWE: Continues to present testimony relating to advertising the risks associated with gambling.

365 CHAIR LIM: Do you believe there should be advertising to promote gambling?

374 LOWE: Responds to committee discussion relating to advertising at risk behaviors.

401 GARY WEEKS: Presents testimony against SB 700.

422 CINDY BECKER: Presents written testimony against SB 700 [EXHIBIT D].

464 BECKER: Continues to present [EXHIBIT D] (Favorability of Oregon Lottery).

TAPE 45, SIDE A

025 BECKER: Continues to present [EXHIBIT D] (Competition).

043 BECKER: Continues to present [EXHIBIT D] (Types of Advertising).

060 BECKER: Continues to present [EXHIBIT D] (Advertising Recall).

067 SEN. DUKES: I remember the lottery advertising one out of five players are winners.

068 BECKER: Those are the odds of winning.

069 SEN. DUKES: I remember the guarantee that if you buy 5 tickets in succession and did not win you would receive another ticket free.

071 BECKER: That was part of a promotional offering.

071 SEN. DUKES: You said you did not promise anybody would win.

072 BECKER: The message I was trying to convey was that we do not try to lure people by promising them they will win Mega Bucks or Power Ball if they just play.

084 BECKER: Continues to present [EXHIBIT D] (The games).

104 SEN. DERFLER: Would you say the most addictive game is Video Poker?

106 BECKER: People think Video Poker is the most addictive game.

112 SEN. DERFLER: What percentage of advertising dollars are spent promoting Video Poker?

113 BECKER: We don't spend any money on advertising Video Games.

113 SEN. DERFLER: You don't spend any money on advertising Video Poker, but it is the most addictive game?

114 BECKER: We cannot spend any money to advertise Video Games.

115 BECKER: Continues to present [EXHIBIT D] (Compulsive Game Program).

129 CHAIR LIM: Overviews memo relating to Lottery Advertising [EXHIBIT E].

138 CHAIR LIM: How do you justify spending \$3 dollars per capita on lottery advertising.

140 BECKER: I cannot respond to your question without having more time to review the data. I will respond to your question in a letter.

156 CHAIR LIM: What programs do you have in place to help people with gambling problems.

160 BECKER: Overviews the role of the Oregon Lottery as it relates to gambling addition problems.

168 WEEKS: Responds to committee discussions relating to problem gambling.

178 CHAIR LIM: Appoints Senator Bradbury Acting Chair to reside over the remainder of the committee meeting.

184 BECKER: Continues to present [EXHIBIT D] (Examples of advertising).

293 BECKER: Continues to present [EXHIBIT D] (Examples of radio games).

342 BECKER: Presents Gambling Becoming A Nightmare? [EXHIBIT F], Even the Trumps could use a million bucks - Play Megabucks because a million bucks, is a million bucks [EXHIBIT G], POWER BALL - 9 Ways to Win - Adjust Your Dreams Accordingly [EXHIBIT H], KENO - 37 WAYS TO WIN [EXHIBIT I], Have Fun

... but don't get in over your head. Play your dollars with sense [EXHIBIT

J], Play Oregon's pro football game - FOR CASH [EXHIBIT K], Some of our

BIGGEST WINNERS didn't even play [EXHIBIT L], Finding the End of the Rainbow - Thanks to Lottery Dollars [EXHIBIT M], Making a Clean Sweep - Thanks to Lottery Dollars [EXHIBIT N], Win up to \$10,000 with BINGO - It's not just another Scratch-it game. It's an experience! [EXHIBIT O].

358 BECKER: Continues to present [EXHIBIT D] (Video Poker)

445 BECKER: Continues to present [EXHIBIT D] (Research).

TAPE 44, SIDE B

024 BECKER: Continues to present [EXHIBIT D] (Advertising Effectiveness).

057 BECKER: Continues to present [EXHIBIT D] (Impact of Advertising Ban).

073 SEN. DUKES: Was the advertisement relating to being responsible with gambling the shortest TV advertisement you showed?

076 BECKER: Yes, it was a 15 second advertisement the rest were 30 second advertisements.

080 SEN. DUKES: Is advertising of gambling treatment services relating to gambling addictions mandated by the legislatures.

083 BECKER: My understanding is that it was not mandated by the legislature.

091 WEEKS: Responds to committee discussion relating to gambling addiction advertising.

098 ACTING CHAIR BRADBURY: What does your research tell you about the most at-risk games relating to gambling addiction?

111 BECKER: We have not done this type of research, but national research shows the most interactive type of games are the most addictive. It might be video or it might be scratch games.

132 STEVE MCCOY: Presents testimony against SB 700.

170 ACTING CHAIR BRADBURY: Closed PUBLIC HEARING on SB 700.

170 ACTING CHAIR BRADBURY: Adjourns committee meeting at 9:40 a.m.

Submitted by

Bobby Sullinger
EXHIBIT LOG

EXHIBIT A - Written testimony against SB 700, Presented by Gail Ryder, 2 pages.

EXHIBIT B - A letter from KZZR radio station against SB 700, Presented by Senator John Lim, 1 page.

EXHIBIT C - A list of people opposed to and in favor of SB 700, Presented by Senator John Lim, 1 page.

EXHIBIT D - Written testimony against SB 700, Presented by Cindy Becker, 10 pages.

EXHIBIT E - A memo relating to Lottery Advertising, Presented by Senator John Lim, 4 pages.

EXHIBIT F - Gambling Becoming A Nightmare?, Presented by Cindy Becker, 6 pages.

EXHIBIT G - Even the Trumps could use a million bucks - Play Megabucks because a million bucks, is a million bucks, Presented by Cindy Becker, 1 page.

EXHIBIT H - POWER BALL - 9 Ways to Win - Adjust Your Dreams Accordingly, Presented by Cindy Becker, 1 page.

EXHIBIT I - KENO - 37 WAYS TO WIN, Presented by Cindy Becker, 1 page.

EXHIBIT J - Have Fun ... but don't get in over your head. Play your dollars with sense, Presented by Cindy Becker, 1 page.

EXHIBIT K - Play Oregon's pro football game - FOR CASH, Presented by Cindy Becker, 1 page.

EXHIBIT L - Some of our BIGGEST WINNERS didn't even play, Presented by Cindy Becker, 1 page.

EXHIBIT M - Finding the End of the Rainbow - Thanks to Lottery Dollars, Presented by Cindy Becker, 1 page.

EXHIBIT N - Making a Clean Sweep - Thanks to Lottery Dollars, Presented by Cindy Becker, 1 page.

EXHIBIT O - Win up to \$10,000 with BINGO - It's not just another Scratch-it game. It's an experience!, Presented by Cindy Becker, 1 page.