

HOUSE COMMITTEE ON STATE AND FEDERAL AFFAIRS

April 10, 1991 Hearing Room E 8 30 a.m. Tapes 96 - 98 MEMBERS
PRESENT: Rep. Bill Markham, Chair Rep. Larry Sowa, Vice-Chair Rep.
Marie Bell Rep. Mary Alice Ford Rep. Tom Novick Rep. Carolyn Oakley Rep.
Lonnie Roberts MEMBER EXCUSED: None VISITING MEMBER: Sen. Jim
Hill, District 16 Sen. Bill Kennemer, District 12 Rep. Mike Burton,
District 17 Rep. Peter Courtney, District 33 Rep. Carl Hosticka,
District 40 Rep. John Minnis, District 20 STAFF PRESENT: Randall
Jones, Committee Administrator Carolyn Cobb, Committee Assistant
MEASURES CONSIDERED: HB 2676 - Prohibits Lottery games based on
Sporting Events, PH HB 2818 - Prohibits Lottery Games Based on
Professional Sporting Events, 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 96, SIDE A 003 CHAIR MARKHAM: Calls meeting to order at 8:35 a.m.

281 8 - PROHIBITS LOTTERY GAMES BASED ON PROFESSIONAL SPORTING EVENTS -
PUBLIC HEARING HB 2676 - PROHIBITS LOTTERY GAMES BASED ON SPORTING
EVENTS - PUBLIC HEARING Witnesses: Jim Hill, State Senator, District 16
Bill Kennemer, State Senator, District 12 House Committee on State and
Federal Affairs April 10, 1991 - Page 2

Marie Bell, State Representative, District 41 Mike Burton, State
Representative, District 17 Peter Courtney, State Representative,
District 33 Carl Hosticka, State Representative, District 40 John
Minnis, State Representative, District 20 Scott Bartlett, Aide to Rep.
William Dwyer, District 42 Roger Breezley, Chairman of the Board & CEO,
U. S. Bancorp Rich Brooks, Head Football Coach, University of Oregon
Bill Byrne, Director of Athletics, University of Oregon Jim Davey,
Executive Director, Oregon Lottery Commission Bryan Hinkle, Professional
Football Player, Pittsburgh Steelers Lynn Snyder, Executive Director,
Consortium for Athletics Paul Tagliabue, Commissioner, National Football
League

008 RANDALL JONES, COMMITTEE ADMINISTRATOR: Reviews the differences in
the two measures.

023 MIKE BURTON, STATE REPRESENTATIVE, DISTRICT 17: Explains the
legislature needs to look at the questions of funding sporting
activities through the lottery, and the legislature's inability to
utilize available lottery funds in a strategic manner, rather than in a
piecemeal fashion to fund particular aspects of some problem the state
is facing. -Athletics at our colleges and universities, in total, cannot
pay for themselves, so some kind of outside funding is necessary. -There
are valid reasons why the legislature has not spent general fund money
on collegiate athletics. -Athletics are a very valuable part of our
higher education system. They should be an integral part of the
curriculum of higher education. Physical education deserves to be funded
by general fund money as part of the higher education curriculum.
-Lottery dollars have become the golden goose and everybody wants a
piece of the action. By putting sports lotteries out, we are losing our
ability to use these monies in a strategic sense for the purposes we
should. -We should address what we really want to do with the lottery

money, because everyone wants a slice of it. -Perhaps what the lottery should do is have a menu which allows the player to pick what they want to spend the money on.

101 REP. FORD: Was this going to be before or after light rail is constructed?

104 REP. BURTON: District 17 does not get much benefit from lottery money. -I would like to see all lottery money go to the general fund. -The bill authorizing the Sports Action lottery was clearly meant not to cannibalize the regular lottery. -If you are going to specify funding for sports, we may as well do it directly. If we are going to fund sports at the higher education level, it should be done from the general fund. -The lottery money is being disbursed now in ways that will prevent it from ever being used strategically for stronger purposes. -Connecting sports, and professional sports particularly, to gambling I find especially odious.

These minutes consist of serials 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 House Committee on State and Federal Affairs April 10, 1991- Page 3

146 REP. BELL: This body has already made a decision on how the sports lottery funds are to be used. Why did you bring a bill to us that excludes professional sports lottery games, when other forms of gambling are legal in the state?

159 REP. BURTON: The Lottery Commission has the authority on its own to create games. The legislature simply sets up the accounts to receive the money from those games. This bill prohibits the use of a theme by the Lottery Commission. If we are going to fund sports scholarships with gambling money, I find that offensive. We do prohibit lottery themes based on other types of sporting activities. Why is it we allow this particular sport to be connected with gambling in that way.

181 REP. BELL: The bill does suggest the funding go to light rail. How do you feel about that compared to it going to collegiate sports? 186 REP. BURTON: That is on video poker and I have another bill that prohibits video poker. The same bill that allowed the sports lottery also created video poker.

199 CHAIR MARKHAM: Earlier in your testimony you made reference to Title 9, what was that?

203 REP. BURTON: Mr. Frey, writing in the Oregonian makes some good points. Under Title 9 you are basically required to pool all of your income from sports activities and then make certain all sports have access to the funds. You use the revenue producing sports of football and basketball to fund other sports. In the State of Washington they separated those budgets, were taken to court and lost the suit. I think Title 9 has created a cash cow situation in trying to fund these things and it is a tricky question.

229 JOHN MINNIS, STATE REPRESENTATIVE, DISTRICT 20: I introduced HB 2818 because I believe Oregon is at a crossroads at this time. With the advent of Measure 5, we are short of general fund revenues. We are now grasping for revenue and the lottery is a favorite target. Many of us are going to attempt to do the right thing, giving the best moral

direction, the best fiscal direction for the State of Oregon with respect to gambling. We need to now decide whether we want to allow gambling in this state to the degree that New Jersey and Nevada have it. Many are saying why not have full fledged gambling allowed in the State of Oregon? Oregon is gradually chipping away in that direction, without having made that decision conscientiously. We need to consider the gambling direction of this state very seriously. If it was a serious consideration of this legislature to fund college athletics, we could find the money. We could eliminate the Chancellor of Higher Education office, a layer of higher education bureaucracy we do not need. -In the professional sporting community, there are those who chip away at the professional aura of professional athletes. Do they give an image to the community that makes young people say "I want to be like them.? To what extent does the State of Oregon have to be involved in perpetuating the kind of controversies involved in allegations of point shaving. We need to have a philosophical vision for the State of Oregon. To what degree do we plant in the minds of the young people in this state, a vision of what they want to become. I see this direction of Oregon's sports lottery becoming something that has the capability of detracting from the professional image of athletics and professional athletes, to the degree that it influences the community. My suggestions for higher education and the elimination of the Chancellor's office are serious.

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371 REP. ROBERTS: Do you know what amount of money we are discussing to fund college athletics? 379 REP. BURTON: My understanding is the sports lottery in the first round, contributed less than \$500,000. The distribution was made primarily to the three universities. Those funds went primarily to fund coaches' salaries and athletic scholarships.

399 REP. ROBERTS: What is the total tab we would have to pay out if it were to come out of the general fund? 401 REP. BURTON: I do not know because a lot of that is fee driven. My point is, if \$500,000 is coming out of the lottery, that is the portion we should try to fund out of the general fund. -Both bills amend current statutes. In HB 2676, it appears legislative counsel moved the video games language from one section to another. I am not here to support the creation of a video account, that is in current law. If video poker is enacted, then that is the distribution that would occur.

TAPE 97, SIDE B

019 REP. BELL: Are you opposed to all forms of gambling?

025 REP. MINNIS: Yes, I am.

026 REP. BELL: Are you willing to give up all forms of gambling for the best moral direction of our state?

027 REP. MINNIS: We need to consider who it is who is influenced by this system. We also need to understand who spends the money that is driving the lottery system. I see little old ladies who are on pensions, and people who do not have a lot in terms of personal wealth, buying tickets in hopes of finding this pot of gold. I think we should try to influence people for good, not evil, and we recognize from where this income is derived. It is not from the wealthy, it is those who do not

have any legitimate hope in their own lives. Their hope is to win that one in a million chance in the lottery.

049 REP. BELL: You do not need to convince me about gambling. The people have spoken in favor of certain forms of gambling and we have a part of that already in place.

058 REP. BURTON: I sometimes buy lottery tickets. My father was addicted to gambling and it almost destroyed our family. People are going to gamble, and I would just as soon we make it legal and get it in the open. The voters wanted to play the game.

081 JIM HILL, STATE SENATOR, DISTRICT 16: The issue I would like to address is the general issue of gambling. How much are we going to encourage our citizens to gamble in order to finance government services. Is casino gambling our next step for the next worthy cause? We have more money coming into our state coffers than we have had in some time. We are also wrestling with the post Measure 5 era. If the legislature is willing to deal with the replacement revenue issue head-on, our economy is strong enough and we have enough funds to fund all of the services state government is supposed to provide, including college athletics.

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104 REP. ROBERTS: Are you saying that with an alternative funding source, we could fund all this. You are not saying in the budget we have now, without an alternative?

109 SEN. HILL: I am saying in upcoming sessions, if we solve the replacement revenue issue, we will have enough money. Our economy is strong now and we have enough funds to provide the services. Right now we are patching the system in many, many ways. Look at all the fees, now we are trying to milk the lottery. If we are going to really move toward having gambling as one of the main ways of financing state services, let's be very conscious about what we are doing.

128 REP. ROBERTS: My problem is, I am hearing we do not want to encourage people to gamble. We have people out there who already are. There are probably more bets made between people in pools, than there probably would be with the sports lottery.

133 SEN. HILL: We also have a lot of people using drugs, and I do not think that is a reason to legalize it. 137 REP. ROBERTS: That is not an analogy to draw, there is a lot of difference between the two.

138 SEN. HILL: There is some analogy between the two. The fact that a lot of things go on does not mean we should then turn and say it is going on, so we will condone it. 141 REP. ROBERTS: It is there. If you have a method in which people, if they are going to make these bets, could do so and know it is being controlled in a way that it is an honest game. 148 BILL KENNEMER, STATE SENATOR, DISTRICT 12: Asks the Clerk from Dr. Leo Thornton, President Emeritus, Western Evangelical Seminary, be introduced into the record (EXHIBIT A). There are some important policy considerations that we need to look at. Moderation is a policy that perhaps the legislature needs to look at when looking at the lottery. When the lottery was voted in, it was done with overwhelming

acceptance, and it was extremely popular. Then we began to talk about Sports Action lottery and the inclusion of the NFL and the NBA. It became controversial and negative at that time. At that point we also began to notice substantial revenue drops. That could have been purely coincidental, but I think not. The introduction of Sports Action lottery is very un-Oregon like. I do not think it is an Oregon tradition to use power and run over people. The professional leagues do not want it and we should not run over them. We need to reevaluate some of the mission of the lottery. The policy has been drifting to a policy position of "lets fleece Oregonians for every penny possible". I have some real problems with how far we are going to exploit the lottery. We need to create a policy of moderation and in the long run, it will produce more dollars for us. 196 REP. ROBERTS: There are only so many gambling dollars out there. It will never deliver what they say it is going to deliver because, on average, a citizen will spend only so much on gambling. Generally people say this is it, I am not going to spend any more. 216 SEN. KENNEMER: That is certainly one of the arguments you hear. However, I think the whole advertising and marketing industry is built on the assumption if you can market cleverly, you can increase the market share. If you are going to introduce controversy and negativity into the Oregon lottery, you are probably going to have a backlash. I think that is why we had the shortfall this last time.

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223 REP. ROBERTS: When Washington State came in with their lottery, Portland Meadows and Multnomah Kennel Club lost some revenue. When we came in with the Oregon Lottery in 1985, the horses lost about 15% of their handle, and the dogs lost about 11 % the first year.

230 REP. FORD: So far the only people who are against the Sports Action lottery are professional sports and certain newspaper columnists and editorialists. I have not received anything negative from the public.

243 SEN. KENNEMER: My prospective is somewhat different. I pick up frequent comments from rank and file people who do not like it. Very few people are morally opposed to gambling, and think we should just abolish it. But I get a tremendous number of people who say "lets put on some responsible limits, and why in the world are we doing this".

257 REP. FORD: If you have any letters to the editors from the public in your file, or any letters from any of your constituents, I would appreciate seeing them. I have received none.

261 SEN. HILL: One thing that we did hear from the public was the lottery funds declined. I do not know why people thought that was, but the lottery proceeds for economic development did decline. 273 REP. FORD: I am just asking you to help provide some information from the public indicating they are concerned about the sports lottery.

279 CARL HOSTICKA, STATE REPRESENTATIVE, DISTRICT 40: I thought we had debated this issue when HB 2601 was voted on the floor of the House and was passed. -It is interesting while people talk about the need for revenues in the post Measure 5 world, they bring forward bills which would reduce revenue availability. -The suggestion that somehow Sports Action in Oregon is going to affect the integrity of national level

competition in professional sports is stretching a point. What is really being done here is Oregon is being used as a lever on an issue that other people want to fight on a national level. -Compares these bills to unitary tax repeal issue. -Sports Action has been in effect for two years, and no scandals have been reported. -Our concern for the profitability of professional sports will undermine amateur sports. -If we eliminate Sports Action because of concerns about what happens at the professional level, we are then saying professional sports are more important to us than the amateur sports that include both women and men at our institutions of higher education in this state. -Expresses hope this is the end of these bills.

396 PAUL TAGLIABUE, COMMISSIONER, NATIONAL FOOTBALL LEAGUE: Submits and summarizes written testimony (EXHIBIT B) in support of the measures.

TAPE 96, SIDE B

014 TAGLIABUE: Continues written testimony.

043 REP. ROBERTS: Are you saying you restrict the people in the league from any kind of gambling, or gambling within your games?

045 TAGLIABUE: Any kind of gambling. They may not appear in advertising for any kind of a

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lottery, sports or otherwise. We have a rule which prohibits our clubs from accepting radio or television or in-stadium advertising of lotteries where we can enforce it.

049 REP. ROBERTS: Can a person in the NFL go to a casino in New Jersey and gamble without violating your rules?

052 TAGLIABUE: We discourage that to the extent we can. -The focus of our rules is on sports gambling. -We do have policies prohibiting players or other people from working for casinos, whether engaged in sports gambling or not.

059 REP. ROBERTS: So they could not own a piece of a casino in Atlantic City?

062 TAGLIABUE: Right. -Resumes written testimony. -I do have a letter from someone in Portland urging us to continue our vigorous opposition to the Sports Action lottery, saying it sends the wrong message to our youth, and saying it has converted him and his friends from football fans to fans of gambling. -Resumes written testimony. 105 REP. ROBERTS: There is a difference between games where the players are paid and amateur sports. 119 TAGLIABUE: It is the same athlete who played for the University of Oregon, now he is playing for the Pittsburgh Steelers, why should he have the suspicion on his head at one time and not the other? 123 REP. ROBERTS: Because one is professional and one is collegiate. 125 TAGLIABUE: My point is this, we are looking at the kinds of messages we send as values to youths. I do not want to get to the point when some other state where we do have a team, has a sports action game modeled after yours. -Describes NFL programs which promote

positive messages to children. -If sports lottery becomes a national thing, we will be in the business and make a lot of money. -I do think there is a misappropriation of a property interest. You are selling our game. 172 CHAIR MARKHAM: Apologizes for legislator's remark quoted in The Oregonian. 178 REP. NOVICK: Why has not the NFL taken any action to stop gambling in Nevada casinos on NFL games? 187 TAGLIABUE: In looking back at history, one of the last things on the minds of the National Football League in 1938 was a concern that someday Nevada might be making a big business out of gambling on NFL games. You cannot remedy everything your forbearers did. We are opposing it where we can. We would oppose it in Nevada if we could. We cannot control what the networks do outside of our program. 213 REP. NOVICK: In congress where you are attempting to limit the betting on NFL games, you

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have agreed to grandfather in Nevada. I do not see that as consistent with your last statement.

218 TAGLIABUE: It is a political reality. Would I prefer to have legislation banning state sponsored betting in Nevada, yes. Do I think I can get it through congress, no.

225 REP. NOVICK: I recall Jimmy the Greek, before game time on television, going through the point spreads. I do not remember hearing anything from the NFL about how bad that was.

232 TAGLIABUE: We do not control who the networks hire as commentators. You do not see Jimmy the Greek there today. We have told the networks that within our contractual powers, subject to FCC rules, we do not want them to broadcast point spread information. So they come on prior to our show with it, but that is not our program or something we can control. We have been addressing those subjects. This is distinguished from other types of gambling because it is gambling on human endeavor. We do not have an economic stake in this.

263 REP. NOVICK: What about newspapers that sponsor contests, have you taken any action against them?

267 TAGLIABUE: I have talked with newspaper editors about that and they look at me as if I come from the Soviet Union and not from the United States.

269 CHAIR MARKHAM: You do not distinguish between head to head gambling versus the Oregon sports lottery which is a form of lottery?

273 TAGLIABUE: We have looked at that and tried to determine if that should be a distinction that is meaningful. When you are looking at the issue of messages and cynicism, and the message you are sending to the young people, the pressures you are creating on the athletes, we do not see that as much of a distinction.

284 REP. FORD: Is it your contention that if the Oregon sports lottery were to continue and be followed by other states, that there would be so much pressure put on players in the NFL that there could be some kind of problem with game throwing?

297 TAGLIABUE: There are pressures of two types. One is the second guessing from the fans and media after the game about plays in the game that could have affected the point spread. The other is the fact of throwing a game. It can happen, but I am not here to say we are going to have civil servants running around bribing athletes. We have an extensive security force to make sure we do not have these kinds of problems.

358 REP. FORD: We all know there is not a bar, tavern or office in this country that does not have its pool on these games. Does that not add interest in the games?

366 TAGLIABUE: I do not buy the argument that gambling is the reason people come to our games. Our Monday night football games are our highest rated games in the history of sports television, and there has never been a Jimmy the Greek or a hint on those broadcasts that you should worry about sports action.

378 REP. FORD: So you are saying all the wagering that goes on every week in every community

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in the country does not create any increased interest in the games?

382 TAGLIABUE: If it does, I do not care about it. There is a big difference philosophically and in terms of reality, and in terms of public policy, between the offface pools and the state sponsoring and legitimizing the wagering.

404 REP. OAKLEY: Why did the NFL choose not file a suit when the NBA filed a suit back in 1989?

411 TAGLIABUE: Pete Roselle was the commissioner at the time, I was not. I think the basic reason was we didn't want to seem to be reaching out in a state where we did not have a team to take a shot at somebody. The league had filed a suit against the State of Delaware which had a mixed outcome. The thing died on the vine. I think Mr. Roselle felt people here would eventually see the error of their ways and it would not be a big revenue producer. It would dry up and go away.

TAPE 97, SIDE B

023 REP. OAKLEY: Do you have evidence that shows that Oregon's Sports Action has been detrimental to the NFL?

025 TAGLIABUE: I cannot sit here and produce evidence I could offer to a judge that says it has been detrimental to the NFL. It is about the integrity of the overall system of sport, and how the athletes are viewed by the young people. Long run could it be detrimental, yes I think it can be. 042 REP. BELL: You have mentioned not being economically involved in this. I believe that person (Bryan Hinkle) sitting next to you is evidence to the contrary. We provide the best training camp you could possibly ask for, yet when we make an attempt in our sports action game to continue that effort, to continue to provide

you with capable, qualified athletes, you object. We have made this investment, what are we getting back? How do you feel about our investment in your athletes?

061 TAGLIABUE: I think you should continue to make your investment. There are other ways to get money. Tax the people who can afford to pay the taxes. Generate other forms of money, but do not have the end justify the means.

069 REP. BELL: Granted that you disagree with the betting aspect of it, what can the NFL do to help us to continue this investment? What can you put into our athletes in the form of dollars to help us?

072 TAGLIABUE: If the question is, should we pay for collegiate athletics, then we can ask that question of every employer in America. It is no different than the law firms that are hiring lawyers from your law schools. There are lots of things you could do for yourselves that you are not doing. Share your revenues equally. We share all of our national television income equally among all twenty eight teams. Let the schools in Los Angeles share their money with the schools up here.

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099 REP. BELL: How about having the NFL share the pot with their farm teams?

094 TAGLIABUE: We can discuss it. When you talk with other industries in this state about sharing the pot with their farm teams.

096 REP. BELL: Our businesses are paying taxes here in Oregon, we do not have an NFL team.

098 BRIAN HINKLE, PROFESSIONAL FOOTBALL PLAYER, PITTSBURGH STEELERS: Submits and summarizes written testimony (EXHIBIT C) in support of the measure. 144 ROGER BREEZLEY, CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER, U. S. BANCORP: Submits and summarizes written testimony (EXHIBIT D) in support of HB 2676 and HB 2818. 254 VICE CHAIR SOWA: I notice in your testimony, you mention the evils of gambling. Is that your personal view? 256 BREEZLEY: This is a personal view, yes. 257 VICE CHAIR SOWA: Would you prefer it then, if we amended one of these bills to include a prohibition on any lottery games in Oregon? 260 BREEZLEY: I cannot speak to what you should do for amendments. If you are asking me personally, I am not in favor of the lottery. 272 MARIE BELL, STATE REPRESENTATIVE, DISTRICT 41: The NFL Commissioner by his own definition calls the NFL a national business. I have two individuals with me today who have made lifetime careers of building young people, working with young people, and developing them so they will have opportunities to go out on their own, and pursue success in their own endeavors. These are two individuals who are actually investing in Oregon. There is some question if the NFL ever does invest in Oregon, or if it just takes the cream off the top and uses it for their own purposes. -If there was any other way to get the funding that is absolutely necessary, I would be in favor of it. I am personally not in favor of gambling and would rather not pursue this line of revenue. This is an option we have available and we need the revenue now. When the time comes we have found a better way to finance

sports, I will be the first to jump on that bandwagon. 327 BILL BYRNE, DIRECTOR OF ATHLETICS, UNIVERSITY OF OREGON: Gives brief history of how the legislature passed an affirmative action program for the state's colleges and universities, but did not provide additional funding until the Sports Action Lottery was approved. -Points out the Sports Action lottery produced \$4.5 million in revenue, but only \$400,000 went to inter-collegiate athletics. -The bill for non-revenue sports at the University of Oregon next year will be \$4 million. -Roll models will be lost, if lottery is discontinued. -Disputes Commissioner Tagliabue's testimony about the NFL ban on association with gambling.

TAPE 98, SIDE A

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019 REP. ROBERTS: I was going to ask the Commissioner about the U. S. Senate investigation of Baron Hilton and the Hilton Hotels in Nevada. He did make some comment that he was not happy with it, but I do not know if he attempted to take some action.

024 BYRNE: There is more money spent in one day on sports betting in Nevada than is spent in a year on Sports Action in Oregon.

029 REP. ROBERTS: The NFL logos cannot be used without permission? 033 BYRNE: All I know is if you go into Caesar's Palace, that is what you will be sitting in. -I believe the budgeted income from the lottery has dropped, not the actual income. When people in Oregon found out the money from Sports Action was not going to inter-collegiate sports, there was a decline in the number of people who were willing to play. -Asks the bills be turned down.

052 REP. ROBERTS: I would never support wagering on college games, but there is already billions of dollars bet on the NFL games. 063 RICH BROOKS, HEAD FOOTBALL COACH, UNIVERSITY OF OREGON: This problem of funding inter-collegiate athletics is not new. It became acute with the passage of Title 9. Football can fund itself. Football and men's basketball are the only sports that take in more than they spend. Does that mean that they are the only people that should have the opportunity to go on and play competitively at the level of the PAC 10 Conference. There are now a lot of women who have the opportunity through an athletic scholarship to get an academic education. The opponents have all said they do not oppose inter-collegiate athletics, they think the general fund is a more appropriate way to fund them, and I agree. Without immediate funding we are in a terrible position to continue to be able to offer non-revenue athletic programs.

121 REP. NOVICK: Although Title 9 exacerbated the problem, it is not really what got us here. I hope no one is suggesting we turn back the clock.

126 BYRNE: Even if it were not the law, it is the right thing to do. We support that totally. 143 CHAIR MARKHAM: What is the situation in both Oregon State and Oregon, how far are you in the hole, athletically? 146 BYRNE: We are \$1.8 million in the hole at the University of Oregon at the end of this fiscal year if we do not receive the \$600,000 in tuition waivers that we were supposed to receive. 164 PETER

COURTNEY, STATE REPRESENTATIVE, DISTRICT 33: I do not know the Commissioner and I apologize for the comment quoted in the Oregonian. The farm systems for professional football and basketball are the colleges and universities across the country. I am always wary when the east coast pays attention to Oregon. This discussion is dominated by division one sports. Many athletes in the state go to the small colleges and they do not get athletic scholarships. Seventy percent of the money has to go to non-revenue producing sports and 50% has to go to women's sports. Others were willing to have all the lottery money go to non-revenue producing sports.

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227 CHAIR MARKHAM: Does Western Oregon State College get a portion of the sports lottery fund?

230 REP. COURTNEY: They do, I think about 4%.

235 LYNN SNYDER, CONSORTIUM FOR ATHLETICS: Gambling is an emotional issue and all of us have opinions regarding its availability and regulation. Gambling is a fact of life and always will be. Most types of gambling will continue to exist regardless of what kind of government regulation is in place. -Why is the NFL not waging an all out war against wagering on their games? Fixed games have always involved bookies. -The Oregon lottery could in no sense damage the NFL. -Sports Action is a game of chance. -Suggests following the British system of controlling gambling.

320 JIM DAVEY, DIRECTOR, OREGON LOTTERY: I would like this game to offset pools. Sports Action games are not played by professional gamblers. We think this is not taking revenue away from the regular lottery. The only negative is the money has not gone to the athletic programs because we did not raise enough money in our other games. -Quotes statement of the Commissioner of Baseball concerning gambling on professional sports. -I can assure you none of our retailers are involved in illegal gambling activities. -Forecasts Sports Action revenue of \$4 million this year.

402 SCOTT BARTLETT, AIDE TO REP. WILLIAM DWYER, DISTRICT 42: This issue is one of big business versus the ability of the University of Oregon and Oregon State University to remain in the PAC 10 Conference. We urge you to defeat this bill.

Submitted by:
Jones Assistant

Reviewed by: Carolyn Cobb
Administrator

Randall

EXHIBIT LOG:

A - Testimony on HB 2676 and HB 2818 - Sen. Bill Kennemer - 1 page
B Testimony on HB 2676 and HB 2818 - Paul Tagliabue - 15 pages
C Testimony on HB 2676 and HB 2818 - Bryan Hinkle - 2 pages
D Testimony on HB 2676 and HB 2818 - Roger L. Breezley - 5 pages

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.