

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.

Measures Heard HB 2039, PH & WS HB 2580, WS HB 2763, PH & WS HB 2843, WS HB 3151, PH

SENATE COMMITTEE ON JUDICIARY

June 14, 1991Hearing Room C 1:00 p.m.Tapes 234 - 236

MEMBERS PRESENT:Sen. Joyce Cohen, Chair Sen. Jim Hill, Vice-Chair
Sen. Peter Brockman Sen. Jim Bunn Sen. Jeannette Hamby Sen. Bob
Shoemaker Sen. Dick Springer

STAFF PRESENT: Ingrid Swenson, Committee Counsel Bill Taylor,
Committee Counsel Kate Wrightson, Committee Assistant

WITNESSES: Marva Graham, Physician Jeff Curtis, Dept.
of Fish & Wildlife Rep. Larry Sowa John Lattimer, Legislative Fiscal
Officer David Nebel, Oregon Legal Services Ed Patterson, Oregon
Association of Hospitals Phil Lemman, Dept. of Justice Karen Hightower,
Office of the State Court Administrator Dale Penn, Oregon District
Attorneys Association Jim Davey, Oregon Lottery Commission Major Dean
Renfrow, Oregon State Police Captain William Johnson, Oregon State
Police David Slausser, Video Lottery Consultants Paula Baker, Citizen
Lucien Baker, Citizen

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TAPE 234, SIDE A

002 CHAIR COHEN: Calls hearing to order at 1:20 p.m.

HB 2039, RELATING TO ACCESS TO CONFIDENTIAL STATE RECORDS AND RECORDS
FOR STATE-FUNDED ACTIVITIES, PUBLIC HEARING & WORK SESSION

014 TAYLOR: Reviews intended purpose of bill. -Submits and reviews
amendments proposed by the Department of Justice and the Oregon
Hospitals Association (Exhibits A & B).

022 CHAIR COHEN: Why not draft information for fiscal oversight only,
and not release confidential records?

HB 2580, RELATING TO CONTROLLED SUBSTANCES, WORK SESSION

054 CHAIR COHEN: Reviews intended purpose of bill.

071 SWENSON: Submits and reviews -A8 amendments and a hand-engrossed version of the bill (Exhibits C & D).

105 SEN. HAMBY: Reviews intended purpose of subsection (c) of Section 3.

144 MARVA GRAHAM, PHYSICIAN: Requiring approval from a physician would set a precedent for a non-medical person's interference with a medical decision.

152 CHAIR COHEN: The bill does exactly the opposite.

153 GRAHAM: You should substitute "review" for "approve".

155 CHAIR COHEN: The bill is fine the way it is written.

186 SEN. SHOEMAKER: Can someone obtain methadone without a prescription?

215 SWENSON: I don't know how one would get methadone without a prescription.

224 SEN. BUNN: The bill doesn't affect that anyway.

232 SEN. HAMBY: Moves to adopt the -A8 amendments to HB 2580.

235 HEARING NO OBJECTIONS, CHAIR COHEN SO ORDERS.

237 SEN. HILL: Moves HB 2580, as amended, to the floor with a "do pass" recommendation.

243 MOTION CARRIES UNANIMOUSLY.

HB 2763, RELATING TO HUNTERS' CLOTHING, PUBLIC HEARING & WORK SESSION

250 SWENSON: Reviews intended purpose of bill.

279 JEFF CURTIS, DEPT. OF FISH & WILDLIFE: Testifies in favor of bill. -We do not oppose changing the penalty from a misdemeanor to a violation.

286 SEN. SPRINGER: Moves to amend HB 2763 by changing "misdemeanor" to "violation".

290 SEN. BROCKMAN: Will hunters have to get rid of their red apparel and purchase new clothing to conform with this bill?

299 CURTIS: Fluorescent orange clothing is much more visible than red clothing.

330 SEN. SHOEMAKER: Are birds color blind?

406 REP. LARRY SOWA: Birds are color blind.

422 CHAIR COHEN: Calls the previous question.

426 HEARING NO OBJECTIONS, CHAIR COHEN SO ORDERS.

427 SEN. HILL: Moves HB 2763, as amended, to the floor with a "do pass" recommendation.

436 MOTION CARRIES, WITH SENATORS HAMBY, SHOEMAKER, SPRINGER, HILL, AND COHEN VOTING AYE, AND SENATORS BROCKMAN AND BUNN VOTING NAY.

TAPE 235, SIDE A

HB 2039, PUBLIC HEARING & WORK SESSION

018 JOHN LATTIMER, LEGISLATIVE FISCAL OFFICER: Reviews intended purpose of bill.

094 DAVID NEBEL, OREGON LEGAL SERVICES: Testifies in opposition to bill. We are concerned about attorney/client privilege.

116 ED PATTERSON, OREGON ASSOCIATION OF HOSPITALS: Reviews proposed amendments. We are concerned with Section 2.

148 PHIL LEMMAN, DEPARTMENT OF JUSTICE: We are concerned with attorney/client privilege, and material from criminal investigations.

155 KAREN HIGHTOWER, STATE COURT ADMINISTRATOR'S OFFICE: We have concerns about sealed court records.

168 DALE PENN, OREGON DISTRICT ATTORNEYS ASSOCIATION & OREGON CRIMINAL DEFENSE LAWYERS ASSOCIATION: We support the Dept. of Justice amendments. The bill is too broad as written.

HB 2843, RELATING TO MEDICAL CARE, WORK SESSION

192 CHAIR COHEN: Moves to reconsider committee vote on HB 2843.

196 HEARING NO OBJECTIONS, CHAIR COHEN SO ORDERS.

199 SEN. BUNN: Serves notice of minority report on HB 2763.

205 TAYLOR: Reviews intended purpose of bill and -A5 amendments (Exhibit E).

257 SEN. HILL: Moves to adopt the -A5 amendments to HB 2843.

259 HEARING NO OBJECTIONS, CHAIR COHEN SO ORDERS.

260 SEN. HILL: Moves HB 2843, as amended, to the floor with a "do pass" recommendation.

265 MOTION CARRIES UNANIMOUSLY.

HB 3151, RELATING TO THE LOTTERY, PUBLIC HEARING

282 JIM DAVEY, OREGON LOTTERY COMMISSION: Reviews intended purpose of bill.

Submits and reviews proposed amendments (Exhibit F).

384 SEN. SPRINGER: Where is the provision that removes local discretion?

387 DAVEY: That was removed by the Senate Committee on Trade & Economic Development.

394 SEN. HILL: The counties testified that they didn't object.

400 SEN. HAMBY: In the A-engrossed bill, the counties may opt out. The option was removed in Trade & Economic Development.

407 SEN. SPRINGER: What does section 12 do?

413 DAVEY: Reviews Section 12. We are following the South Dakota

system.

434 SEN. SPRINGER: What about organizations that don't pay property taxes?

TAPE 234, SIDE B

003 DAVEY: I think they are eligible.

005 SEN. SPRINGER: Do you take that into consideration?

006 DAVEY: That is the intent of the audit.

009 SEN. SPRINGER: Are the records available to the public?

011 DAVEY: All of our records are available to the public.

016 SEN. HAMBY: There is nothing here regarding enforcement. What is the enforcement mechanism, in the B-engrossed bill, that will ensure no more gray machines?

023 DAVEY: Gray machines won't have a lottery contract. -We have Oregon State Police on staff, and will contract additional police for monitoring.

032 SEN. HAMBY: Are they covered by administrative costs?

034 DAVEY: Yes. South Dakota doesn't have a problem with gray games.

038 SEN. HAMBY: What are the costs of implementing video poker?

041 DAVEY: We estimate 10,000 machines in Oregon, at a cost of \$5,000 apiece. The investment will be made by independent businesses who want to share in the revenue.

047 SEN. HAMBY: The state will receive a return of only 25% of the cost?

051 DAVEY: We are estimating 30% of total revenue. That is the reason for the audit.

071 MAJOR DEAN RENFROW, OREGON STATE POLICE: We do not support gambling, but will maintain security and integrity of the system if the bill is passed. -We want gray machines banned; they lead to "under the table" profit. -We recommend that multiple vendors be banned from contracting with the Lottery Commission.

142 SEN. HAMBY: Where will you get the funds to implement the racketeering section of the -16 amendments (Exhibit G)?

151 RENFROW: That will come from lottery receipts.

155 CHAIR COHEN: Will the -16 amendments address outlawing grays?

165 RENFROW: Possession of grays will be a Class C felony.

231 SEN. HILL: Expresses concerns about machines manufactured in Oregon for use outside the state; are those machines considered grays?

234 RENFROW: The concern is that there would be a conflict between legal manufacture and illegal possession, with a subsequent compromise to system integrity.

297 SEN. BUNN: What is the difference between a personal computer, a

home system designed for entertainment use that may run a casino program, and a gray game?

322 CAPTAIN WILLIAM JOHNSON, LOTTERY SECURITY SECTION, OREGON STATE POLICE: Personal computers are completely different from video poker games.

344 SWENSON: The device is exempt if it is not used for gambling.

388 RENFROW: Perhaps we should insert "toy" with the language regarding personal computers.

398 SEN. HAMBY: What about arcade games, where points are tallied? Is that a gray game?

TAPE 235, SIDE B

008 SWENSON: Those aren't casino games. They have to be casino games to be grays.

017 CHAIR COHEN: I am interested in enforcement.

019 PENN: The simplest solution to the problem of prosecuting these felonies is to outlaw the games completely. Gray games are used for gambling purposes. -You could include language about "home entertainment systems," which would cover Nintendo systems.

047 SEN. HAMBY: What do you think about the racketeering section?

053 PENN: I think there are good ideas in these amendments. -This would cover the majority of difficult areas; we can deal with other problems in future sessions.

103 SEN. HILL: Serves notice of minority report, which would make all video poker machines illegal.

112 PENN: Perhaps the wording of the Multnomah County ordinance, which outlaws these machines, would be helpful.

172 DAVID SLAUSSER, VIDEO LOTTERY CONSULTANTS: Answers technical questions for committee.

175 SEN. HAMBY: What about disabling the machines, so they could only be used for entertainment value?

178 SLAUSSER: We have had this question in Montana, as well. The problem is that the machines can always be converted back. -Reviews history of video poker machines in Montana and South Dakota.

203 SEN. BUNN: What happens to the converted machine?

210 SLAUSSER: It is changed into an arcade-type game; it is no longer a poker game.

220 CHAIR COHEN: Would reconverted machines be readily apparent?

227 SLAUSSER: Yes. It looks completely different. -Continues testimony.

301 SEN. HILL: What does your company manufacture?

303 SLAUSSER: We make legal video gambling machines which are used in Montana and South Dakota.

311 SEN. HILL: Do you also serve a market for entertainment games?

315 SLAUSSER: Yes, we also make arcade games.

316 SEN. HILL: Are those used for any gambling purposes of which you are aware?

318 SLAUSSER: None that I am aware of.

320 SEN. HILL: Are you aware of attempts to convert these machines into illegal gambling devices?

331 SLAUSSER: If the risks of such behavior are great enough, most people won't attempt it.

358 SEN. HAMBY: You mentioned loss of license as a threat against conversion. Perhaps we ought to include loss of license in our bill. What about revenues?

378 SLAUSSER: Montana grossed about \$105 million per year, depending on the year. We have one machine for every 75 people.

388 SEN. HAMBY: I am concerned about the gambling losses to Oregonians.

420 DAVEY: Reviews proposed amendments.

TAPE 236, SIDE A

009 PAULA BAKER, CITIZEN: Testifies against bill. Submits and summarizes written testimony (Exhibit H).

155 SEN. HILL: [QUOTE] "I have known Paula and Lucien for some time, and I can attest to their hard work in owning a business and making it successful."

171 LUCIEN BAKER, CITIZEN: Testifies against bill. Submits and summarizes written testimony (Exhibit I).

278 CHAIR COHEN: Adjourns hearing at 3:42 p.m.

Reviewed by: Reviewed by:

Bill Taylor Ingrid Swenson Counsel Counsel

Submitted by:

Kate Wrightson Assistant

EXHIBIT LOG:

A - Amendments to HB 2039 - Staff - 1 page B- Amendments to
HB 2039 - Staff - 1 page C - Amendments to HB 2580 - Staff - 3
pages D - Hand-engrossed version of HB 2580 - Staff - 2 pages
E - Amendments to HB 2763 - Staff - 1 page F- Amendments to
HB 3151 - Jim Davey - 1 page G - Amendments to HB 3151 - Staff - 4
pages H - Testimony on HB 3151 - Paula Baker - 3 pages
I - Testimony on HB 3151 - Lucien Baker - 5 pages