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gamblers and ruining their lives, but they're in business like everybody else and they want their customer base to continue," says Roberts. "They don't want people to leave because they run out of money, but they also want them to keep playing – so that's the mixed message that the lottery represents."

Casino or not casino

According to a spokesperson for Taylor, the decision to kill the casino bill that would have forced the closure of businesses surviving off lottery commissions was made jointly among the house committee reviewing the bill, Oregon Lottery and Taylor. She decided to not move forward, in part, because Oregon Lottery says it's working on other ways of addressing its "limited-menu retailers" – the new designation for the deli-model establishments that sell more video lottery than they do microwaved sandwiches and beverages.

Does this mean Oregon Lottery is going to pull the licenses of institutions making most their money from lottery sales? That's highly unlikely. It's addressing the issue by "stepping up oversight," says Roberts. In the past, regulation has been complaint driven, and he says his retail contract employees are taking a more proactive approach. They won't immediately terminate contracts, but rather help establishments to diversify their activities and improve their atmosphere as a way to come into compliance, even if lottery games continue to be their cash cow.

In Multnomah County, there are 31 establishments that make more than 50 percent of their revenue from lottery sales. While 12 follow the limited-menu model, others are taverns, sports pubs and casual restaurants.

When voters approved lottery games in 1984, they explicitly banned casinos – but it's been up to Oregon Lottery to decide exactly what a casino is, and its process for designating an establishment a casino is entirely subjective.

According to Oregon law, these retailers are

at risk of receiving the casino designation once their revenue passes the 50-percent-from-lottery-sales mark, but the decision to classify an establishment as a "casino" is ultimately up to Oregon Lottery, and there are lots of other factors that can be considered before doling out a casino designation.

From the state's perspective, an establishment's historical relevance, atmosphere, advertising and even its business name, can all serve as evidence the establishment is not operating as a casino.

For example, according to the Oregon Administrative Rule, "if the business name does not contain words, references or allusions to gambling or gambling related objects or activities, good luck or good fortune or winning, directly or indirectly, this factor may demonstrate that the establishment does not operate as a casino."

In Multnomah County, Lucky Spot, Lucky Deli, Ace Tavern and Lucky Dog Deli all get more than 50 percent of their sales from lottery, and all have offered lottery games for at least six years, passing compliance requirements in that time despite their gambling-oriented business names. A painting of a dog counting a stack of cash on the door of Lucky Dog Deli in Southwest Portland greets people when they enter the strip mall deli, where you can get a domestic beer and a hot dog for \$3 while you play slots.

Farshad Allahdadi is Oregon Lottery's retail contracts manager and his department is responsible for making sure retailers are in compliance. What's changed, he says, is that now rather than reviewing revenue reports from all of the state's 2,400 retailers, his staff of eight is honing in on the limited-menu-model establishments.

He says the rules defining what a casino is have not changed, and that there are no specific criteria measures. For example, a customer entering a limited menu establishment should be able to figure out how to order food and be able to find a menu, but there is no set number of menu items or dining tables that need to be present.

Between 2011 and 2014, 241 businesses with more than 50 percent lottery sales

were audited and inspected by Oregon Lottery. Of those, 16 were considered to be casinos. Three contracts were terminated, and 13 were put on compliance plans, which give the business up to a year to come into compliance.

Taylor told Street Roots "It's the habitual, drop by after work nature of these local 'delis' that pose the biggest problems for addicted gamblers. Every time they drive down the street, the temptation is there. Making gambling less convenient will not stop problem gambling, but it will limit the easy access."

Street Roots asked Taylor why she doesn't seek to limit the number video terminals or move to abolish them completely instead.

"Unfortunately, vulnerable Oregonians are not the only ones addicted to gambling. The state of Oregon has come to rely on those lottery dollars, for schools, for parks, for economic development," she says. "We want to encourage many people to play a little, rather than a few poor souls providing most of the revenue."

Play ball!

In the meantime, Roberts has some ideas for diversifying Oregon Lottery, which he says has reached the right level of video gaming.

"I'd like to see a way to bring back sports betting, which was very popular at one time here and because we had it before, we're exempt from the federal ban," he says.

"If we can get clear with the NCAA that it's not going to jeopardize our ability to hold first round NCAA games, I think that's something we could do."

He says compared with video lottery revenue, sports betting is "small potatoes," but he would like to see it widely available, at grocery stores, convenience stores and other retailers.

"What we're waiting on right now is the right opportunity to approach the governor's office," he says. "Personally, I'd like to see the NFL betting package as soon as this next season, but I don't know if that's realistic."

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