2007 Regular Legislative Session FISCAL ANALYSIS OF PROPOSED LEGISLATION Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 2519 STATUS: Original

SUBJECT: Creation of a Task Force on Gambling in Oregon

GOVERNMENT UNIT AFFECTED: Oregon Lottery Commission

PREPARED BY: John F. Borden **REVIEWED BY:** Robin LaMonte

DATE: February 23, 2007

<u>2007-2009</u> <u>2009-2011</u>

EXPENDITURES: See Comments

REVENUES: See Comments

EFFECTIVE DATE: On passage

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: This measure would create in the Oregon State Lottery a [Commission] Task Force on Gambling. The Commission would provide staff support for the task force and be responsible for reimbursing task force members for their travel and other expenses incurred in the performance of their official duties with the Task Force.

The Commission believes that the expenditures assumed in this measure would fall outside the constitutionally allowable use of the lottery administrative expense fund. According to the Commission, the administrative expense fund is dedicated exclusively for administering and operating the state's lottery. The Commission has based its conclusion on prior Attorney General opinions and a Supreme Court decision that have revolved around different, but similar, legal questions. Therefore, without a legal opinion or court decision on this particular measure, or a more recent court finding, the Department's interpretation may not be beyond legal doubt.

The Legislative Fiscal Office (LFO) believes this measure to have a minimal fiscal impact.