

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

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**MEASURE NUMBER:** HB 3344                      **STATUS:** B-Engrossed  
**SUBJECT:** Transfers half of the 2007-2009 lottery funds ending balance as established by the May 2009 Lottery Forecast to the school capital matching subaccount.  
**GOVERNMENT UNIT AFFECTED:** Department of Education  
**PREPARED BY:** Paul Siebert  
**REVIEWED BY:** Robin LaMonte, Daron Hill  
**DATE:** June 23, 2007

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<b>EXPENDITURES</b>	<u><b>2007-2009</b></u>	<u><b>2009-2011</b></u>
	See comments	-0-

**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:** The bill would transfer half of the 2007-2009 Lottery Funds ending balance as established by the May 2009 Lottery Forecast to the school capital matching subaccount. Monies in the school capital matching subaccount can be used to provide matching funds to school districts for capital costs incurred by the school districts. This is a one-time transfer that will not continue after the 2007-09 biennium.

The fiscal impact of this reservation is unknown at this time as we have no way of knowing if there will be any variance in the May 2007 lottery forecast for the 2007-09 biennium. If the forecast were to remain flat or go down there would likely be no 2007-09 ending balance in the May 2009 lottery forecast, therefore there would be no impact from this bill.

For illustrative purposes if this bill had been in place in the 2005-07 biennium the bill would have transferred \$33.1 million of the \$66.2 million ending balance for 2005-07 as established in the May 2007 lottery forecast. Instead, the 2005-07 ending balance became the 2007-09 beginning balance and will instead be used in the 2007-09 biennium for the State School Fund.