

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
75th Oregon Legislative Assembly
2009 Regular Session
Legislative Revenue Office

Bill Number: SB 5535-B
Revenue Area: Lottery Bonds
Economist: Mazen Malik
Date: 06/29/09

Measure Description:

Establishes amounts authorized for issuance of Lottery bonds, and specifies the projects to where these bonds are meant to be spent on. Resolves conflict.

Revenue Impact:

	2009-11	2011-13	2013-15
Connect Oregon III Bonds In HB 2001	\$112,370,000		
<i>Economic & Comm. Development</i>	\$20,000,000		
<i>Oregon Housing & Community Services</i>	\$21,915,000		
<i>Oregon University System</i>	\$25,170,000		
<i>Dept of Forestry</i>	\$16,905,000		
<i>Water Resources</i>	\$3,945,000		
<i>Community College & Workforce</i>	\$15,510,000		
<i>DAS</i>	\$52,790,000		
<i>Energy</i>	\$5,695,000		
Total Lottery Bonds Not Including HB 2001	\$161,930,000		
<i>Total Issuance Costs and Reserves</i>	(\$18,724,359)		
<i>Total Debt Service</i>	(\$12,539,692)	(\$29,775,333)	(\$30,461,563)
Total Revenue	\$130,665,949	(\$29,775,333)	(\$30,461,563)

Impact Explanation:

The bonds shown in the table above are the Lottery authorizations for the different state programs. With the exception of the connect Oregon III (HB 2001), much of the proceeds of these bonds are expended and authorized in SB 5535. However, the total amount of bonding and debt service payments are totaled (elsewhere) to keep track of the debt limit, reserves and payments requirements.

Most of the bonds are assumed to mature in 20, however there let dates vary from the beginning of the biennium to the almost end (April 2011). When bonds are sold towards the middle or end of the biennium their debt service might not begin until very late in the biennium and many times in the next biennium (2011-13). The total Issuance number includes the issuance costs and all reserves. Lottery Bonds are assumed for 20 years, and most of the bonds will be sold as tax exempt with a rate 6.5%, (8.5% taxable).

The B version of the bill resolves conflict.

Creates, Extends, or Expands Tax Expenditure: Yes ☐ No ☒

State Capitol Building
900 Court St NE, Room 143
Salem, Oregon 97301-1347

Phone (503) 986-1266
Fax (503) 986-1770
<http://www.leg.state.or.us/comm/lro/>