

**76TH OREGON LEGISLATIVE ASSEMBLY
STAFF MEASURE SUMMARY
HOUSE REVENUE COMMITTEE**

**MEASURE: 3188-1
CARRIER:**

**REVENUE: No
FISCAL: no statement was issued**

PRELIMINARY

Action:

Vote:

Yeas:

Nays:

Exc.:

**Prepared By: Mazen Malik, Economist
Meeting Dates: Feb-25**

WHAT THE BILL DOES: Requires counties to deposit moneys received from State Lottery Fund for purpose of furthering economic development in dedicated fund to employ person to manage moneys in dedicated fund and to report to Oregon State Lottery Commission regarding use of moneys.

ISSUES DISCUSSED:

- Long term projects
- County economic development
- Counties use of the funds.
- Constitutional restrictions of the economic development funds.
- The didcation of revue in spate accounts form the county general fund.
- Need amendments to require an FTE which might eat up most the funds the conuty gets.

EFFECT OF COMMITTEE AMENDMENTS: The "-1" amendment makes the requirment for hiring an employee to oversee the program permisve rather than prescptive.

BACKGROUND:

461.547 Distribution of certain video lottery revenues to counties for economic development. (1) The Oregon State Lottery Commission shall transfer an amount equal to 2.5 percent of the net receipts from video lottery games allocated to the Administrative Services Economic Development Fund to counties for economic development activities. Ninety percent of the moneys shall be distributed to each county in proportion to the gross receipts from video lottery games from each county. Ten percent of the moneys shall be distributed in equal amounts to each county.

(a) "Gross receipts from video lottery games" means the amount of money inserted into video lottery games plus the value of any free game prizes used by players for subsequent games.

(b) "Net receipts from video lottery games" means the amount of money that is received from the operation of video lottery games after the payment of prizes but prior to any other payment.

Sec. 36. Notwithstanding ORS 461.547, for the biennium beginning July 1, 2009, the amount that would otherwise be transferred to counties under ORS 461.547 each fiscal quarter shall be reduced by \$625,000 each quarter, and that amount shall be transferred to the Administrative Services Economic Development Fund.