

REVENUE: Revenue statement issued

FISCAL: Fiscal statement issued

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<b>Action:</b>	Without Recommendation as to Passage and Be Referred to the Committee on Rules
<b>Vote:</b>	9 - 1 - 0
<b>Yeas:</b>	Barton, Fagan, Holvey, Kennemer, Matthews, Thatcher, Thompson, Witt, Doherty
<b>Nays:</b>	Weidner
<b>Exc.:</b>	0
<b>Prepared By:</b>	Jan Nordlund, Administrator
<b>Meeting Dates:</b>	3/20, 4/17

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**WHAT THE MEASURE DOES:** Deems establishment of lottery game retailer or applicant to be casino when 50 percent or more of net income of establishment is, or is projected to be, derived from sale of tickets or shares in lottery games.

**ISSUES DISCUSSED:**

- Impact of “lottery row” – a cluster of businesses on Hayden Island who operate as “de facto casinos” – on community livability and public safety
- Relationship between Oregon Liquor Control Commission (OLCC), Oregon Lottery Commission (OLC), Portland Police and lottery retailers
- Scope of OLCC, OLC and Portland Police’s authority in responding to complaints
- Role of OLCC and OLC in partnering with lottery retailers
- Economic impacts of restrictions on industry and public safety
- Economic impacts of “lottery row” on homeowners in the area
- Role of good neighbor agreements

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** The Oregon constitution prohibits the establishment of casinos; however, there is no statutory definition of “casino” for lottery retailers. In 1984 Oregon voters approved a ballot initiative to create a State Lottery operated by the Oregon Lottery Commission. The Commission’s administrative rules currently define a “casino” as a retailer whose annual lottery sales exceed 50 percent of the retailer’s *gross* income. House Bill 2007 adds a statutory definition of “casino” as a retailer whose annual lottery sales exceed 50 percent of the retailer’s *net* income.