

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 4023 - B

Seventy-Seventh Oregon Legislative Assembly – 2014 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Measure Description:

Designates portion of U.S. Highway 26 within Warm Springs Reservation as Warm Springs Veterans Memorial Highway. Directs Oregon State Lottery Commission to establish lottery game to benefit veterans' education and economic development. States that private employers may prefer to hire and promote service members; veterans; surviving spouses of deceased veterans; and spouses of veterans totally disabled from enemy action or service-related accident.

Government Unit(s) Affected:

Department of Community Colleges and Workforce Development, Oregon State Lottery, Oregon Department of Transportation

Summary of Expenditure Impact:

See analysis

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.

Analysis:

The Legislative Fiscal Office believes this measure warrants a subsequent referral to the Joint Committee on Ways and Means Committee for consideration of this measure's budgetary impact.

The bill directs the Oregon State Lottery Commission (Lottery) to establish a raffle game that directs proceeds to benefit veterans' education and economic development related to veterans. The fiscal impact of the bill is indeterminate. Lottery currently produces two annual raffle drawings and indicates that average net proceeds from a single drawing yield \$1.2 million. Net proceeds from the existing raffle drawings are not dedicated to specific programs. The proceeds, along with other Lottery net revenues, are allocated to various programs as determined by the Legislature.

Under provisions of the bill, net proceeds from the raffle would be deposited in the Administrative Services Economic Development Fund. The Legislative Assembly is directed to allocate an amount equal to the net proceeds of the veterans' lottery raffle from the Administrative Services Economic Development Fund to the Veterans' Lottery Fund. This, however, will require the Legislature to pass an additional bill, after the net proceeds of the veterans' raffle game are determined, to comply.

The fiscal impact to the Department of Community Colleges and Workforce Development will depend on the size and scope of the program which will be driven by the amount of funds generated from the game. The Oregon State Lottery had lately implemented a similar game with dedicated revenues (the game is currently suspended); therefore, the fiscal impact to the Oregon State Lottery is anticipated to be minimal.

Section 1 of the bill is anticipated to have a minimal fiscal impact to the Oregon Department of Transportation and Section 7 is not anticipated to have a fiscal impact to state agencies.