

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
Seventy-Seventh Oregon Legislative Assembly
2014 Regular Session
Legislative Revenue Office

Bill Number: SB 5701-A
Revenue Area: Lottery revenue
Economist: Mazen Malik
Date: 03/06/2014

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

Measure Description: Adjusts existing allocations of lottery revenues from the Administrative Services Economic Development Fund.

Revenue Impact:

The March 2014 revenue forecast is \$6,421,394 (or 0.6%) below the level of revenues assumed for the 2013-15 Legislatively Adopted Budget. Revenue allocation changes and adjustment of different funds can be found in the LFO budget report.

The measure also reduces criminal fines and assessment revenues going to the General Fund for the 13-15 biennium by \$41,347, and allows that amount to go to the court facilities account.

Impact Explanation:

The detail of the lottery revenue allocations, changes and transfers to the different funds including the debt service payments, as well as the transfers to the constitutional uses can be found in the LFO budget report. The reduction to debt service requirements is \$1.4 million and reduction to the ending balance of \$4.4 million. The remaining changes are reduction to the transfers and allocation of the mandatory uses.

Oregon Lottery revenues are generated from traditional and video lottery. It pays prizes and its operating expenses out of these revenues and then transfers the balance (net proceeds) to the Administrative Services Economic Development Fund (EDF). The Department of Administrative Services then distributes funds from the EDF in adherence with constitutional and statutory funding priorities, including specific legislative allocations. \$1,053,052,830 is the total lottery resources projected for the biennium in the March 2014 revenue forecast, while statutory allocations approved in the 2013 and 2014 sessions, total \$1,042,422,873. This leaves an ending balance of \$10,629,957 for 2013-15 biennium.

Creates, Extends, or Expands Tax Expenditure: Yes No