

**A-Engrossed**  
**House Bill 4028**

Ordered by the House February 10  
Including House Amendments dated February 10

Sponsored by Representatives KENNEMER, TOMEI; Representatives GELSNER, KENY-GUYER, PARRISH (Presession filed.)

**SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

*[Increases amount of moneys allocated from Administrative Services Economic Development Fund to Problem Gambling Treatment Fund. Requires use of specified portion of allocation for promoting or advertising]* **Allows Oregon State Lottery to use moneys allocated for payment of costs of administration of state lottery to pay expenses incurred to implement policies related to problem gambling, to collect data related to problem gambling and to advertise availability of programs for [prevention and] treatment of problem gambling.**

*[Becomes operative July 1, 2014.]*

Declares emergency, effective on passage.

**A BILL FOR AN ACT**

1  
2 Relating to problem gambling treatment; amending ORS 391.130 and 461.500; and declaring an  
3 emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 461.500 is amended to read:

6 461.500. (1) Except for such moneys as are necessary to temporarily fund the start-up of the  
7 state-operated lottery established by the Constitution of the State of Oregon and this chapter, the  
8 Oregon State Lottery shall operate as a self-supporting revenue-raising agency of state government  
9 and [no] appropriations, loans or other transfers of state funds [*shall*] **may not** be made to it.

10 (2) At least 84 percent of the total annual revenues from the sale of state lottery tickets or  
11 shares shall be returned to the public in the form of prizes and net revenues benefiting the public  
12 purpose described in [*section 4,*] Article XV, **section 4**, of the Constitution of the State of Oregon.  
13 At least 50 percent of the total annual revenues shall be returned to the public in the form of prizes  
14 as described in this chapter. All unclaimed prize money shall remain the property of the commission  
15 and shall be allocated to the benefit of the public purpose.

16 (3) No more than 16 percent of the total annual revenues shall be allocated for payment of ex-  
17 penses of the state lottery as described in this chapter. To the extent that expenses, including the  
18 contingency reserve, of the state lottery are less than 16 percent of the total annual revenues as  
19 described in this chapter, any surplus funds shall also be allocated to the benefit of the public pur-  
20 pose.

21 (4) **For the purpose of ensuring the integrity, security, honesty and fairness of the state**  
22 **lottery, the Oregon State Lottery may use moneys allocated, as costs of administration, for**  
23 **the payment of expenses of the state lottery pursuant to subsection (3) of this section for**  
24 **expenses incurred to:**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.  
New sections are in **boldfaced** type.

1       **(a) Adopt and implement rules intended to minimize problem gambling risks and mitigate**  
2 **problem gambling harms;**

3       **(b) Advertise the availability of problem gambling treatment programs in this state, in-**  
4 **cluding contact information for the programs;**

5       **(c) Collect and report data, and establish metrics, regarding problem gambling; and**

6       **(d) Cooperate with or assist the Oregon Health Authority and providers of problem**  
7 **gambling treatment programs to the extent that the cooperation or assistance is consistent**  
8 **with the mission, described in ORS 461.200, to operate the state lottery so as to produce the**  
9 **maximum amount of net revenues to benefit the public purpose described in Article XV,**  
10 **section 4, of the Constitution of the State of Oregon, commensurate with the public good.**

11       **SECTION 2.** ORS 391.130 is amended to read:

12       391.130. (1) In each fiscal year beginning with the fiscal year commencing July 1, 1991, there is  
13 allocated, from the Administrative Services Economic Development Fund created by ORS 461.540,  
14 the amount of \$8 million. However, commencing with the first fiscal year next following the fiscal  
15 year in which bonds are first issued under ORS 391.140, there shall be allocated from such fund the  
16 amount of \$10 million in each fiscal year. In each fiscal year after bonds are first issued, the Di-  
17 rector of Transportation shall certify any funds allotted in excess of amounts necessary to pay the  
18 annual debt service on the outstanding bonds and to fund the amounts committed to be paid in the  
19 current or any future fiscal year under any written agreement or commitment entered into by the  
20 Director of Transportation pursuant to ORS 391.120 (2). The certified amount shall immediately be  
21 returned to the Administrative Services Economic Development Fund. All amounts allocated under  
22 this section shall be transferred to the Regional Light Rail Extension Construction Fund established  
23 by ORS 391.120.

24       (2) The annual amounts required to be transferred to the Regional Light Rail Extension Con-  
25 struction Fund under subsection (1) of this section, together with all investment earnings on the  
26 amounts on deposit from time to time in the Regional Light Rail Extension Construction Fund, are  
27 continuously appropriated only for the purposes of:

28       (a) Funding the Westside corridor extension of light rail referred to in ORS 391.120; and

29       (b) Paying the principal and interest on revenue bonds issued under ORS 391.140.

30       (3) Except as provided in subsection (4) of this section, and notwithstanding any other provision  
31 of law, the annual allocation made by this section shall be satisfied and credited as and when net  
32 proceeds from the operation of the state lottery are received and before any other allocation, ap-  
33 propriation or disbursement of the net proceeds from the operation of the state lottery is made in  
34 the applicable fiscal year.

35       (4) For purposes of this section, net proceeds from the operation of the state lottery in each  
36 fiscal year include all revenues derived from the operation of the state lottery in each fiscal year  
37 less:

38       (a) The revenues used in that fiscal year for the payment of prizes and the expenses of the state  
39 lottery as provided in [section 4 (4)(d),] Article XV, **section 4 (4)(d)**, of the Oregon Constitution,  
40 ORS 461.500 [(2)] and 461.510 (3) and (4); and

41       (b) The revenues required to be applied, distributed or allocated as provided in ORS 461.543.

42       (5) The transfer of moneys to the Regional Light Rail Extension Construction Fund authorized  
43 by this section shall cease when the Director of Transportation certifies in writing that transfers  
44 of moneys under this section are no longer necessary because:

45       (a) Moneys in the Regional Light Rail Extension Construction Fund are sufficient for the pay-

1 ment of all amounts committed to be paid under all written agreements or commitments entered into  
2 between the Director of Transportation and the Tri-County Metropolitan Transportation District  
3 pursuant to ORS 391.120 with respect to the Westside corridor extension of light rail referred to in  
4 ORS 391.120 (2)(a), and to pay all amounts of principal of and interest on the outstanding revenue  
5 bonds issued under ORS 391.140; and

6 (b) The Westside corridor extension of light rail referred to in ORS 391.120 (2)(a) has been  
7 completed and such project has been accepted by the Department of Transportation, and all claims,  
8 suits and actions arising out of such project that could create a liability payable out of the moneys  
9 in the Regional Light Rail Extension Construction Fund have been resolved.

10 (6) The Director of Transportation shall deliver a copy of such certification to the Governor and  
11 the State Treasurer. Upon receipt of the director's written certification that transfer of moneys to  
12 the Regional Light Rail Extension Construction Fund under this section is no longer necessary, the  
13 State Treasurer shall thereafter credit moneys received by the Regional Light Rail Extension Con-  
14 struction Fund under this section to the Administrative Services Economic Development Fund cre-  
15 ated by ORS 461.540.

16 **SECTION 3. This 2014 Act being necessary for the immediate preservation of the public**  
17 **peace, health and safety, an emergency is declared to exist, and this 2014 Act takes effect**  
18 **on its passage.**