

**Fiscal:** Fiscal impact issued

**Revenue:** Revenue impact issued

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**Action Date:** 02/26/16

**Action:** Be Adopted With Amendments. (Printed B-Eng.)

**Meeting Dates:** 02/26

**Vote:**

Yeas: 5 - Baertschiger Jr, Boquist, Edwards, Hass, Riley

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**WHAT THE MEASURE DOES:**

Proposes amendment to Oregon Constitution to require a certain percentage of lottery revenues to be expended for benefit of veterans.

**ISSUES DISCUSSED:**

- The federal amounts brought back
- The ability to reposed to need in more efficient way.

**EFFECT OF COMMITTEE AMENDMENT:**

The amendment makes the dedication 1.5%.

**BACKGROUND:**

The Constitution, originally, dedicated the net lottery proceeds to the purpose of creating jobs and furthering economic development. This was expanded by Measure 21 (May 1995) to include financing public education, and by Measure 66 (Nov 1998) to include restoring and protecting Oregon's parks, beaches, watersheds, and critical fish and wildlife habitats. Measure 21 also gave lottery bonds first claim on lottery proceeds and dedicated 15% of net proceeds to the Education Endowment Fund. Measure 66 dedicated 15% of net proceeds to the Parks and Natural Resources Fund with 50% dedicated to parks and recreational areas and 50% dedicated to fish and wildlife habitats. Measure 19 (Sept. 2002) converted the Education Endowment Fund to an Education Stability Fund, transferred \$150 million of the principal to the State School Fund, and increased the lottery dedication to **18%**. If the balance in the Stability Fund reaches 5% of General Fund revenue, the lottery dedication is reduced to 15% and deposited in a new school capital matching Subaccount. The 2005 legislature (HB 3466) repealed lottery games on sporting events starting in July 2007. The same bill also dedicated 1.0% of lottery proceeds to fund sports programs at Oregon universities. Measure 76 (Nov. 2010) made the **15%** dedication to parks and natural resources permanent and allocated 12% to regional parks and grants. If this resolution is adopted by the voters the lottery will have an additional 1.5% dedicated to veterans, which will bring the total constitutionally dedicated revenues to 34.5%.