

SB 140 STAFF MEASURE SUMMARY

Joint Committee On Ways and Means

Prepared By: Steve Bender, Budget Analyst

Meeting Dates: 6/13, 6/16

WHAT THE MEASURE DOES:

The bill establishes the Veterans' Services Fund, and creates other statutory provisions needed to implement and operate Ballot Measure 96. Ballot Measure 96, approved by voters in the November 2016 general election, dedicates 1.5% of net lottery proceeds to services for the benefit of veterans.

The statutory provisions in the bill establish the Veterans' Services Fund, direct the Department of Administrative Services to deposit the required amount of net lottery proceeds into this Fund, and continuously appropriate the moneys in the Fund to provide services for the benefit of veterans. The bill directs that moneys that were allocated from the Fund to support agency programs revert to the Fund, if they remain unspent and uncommitted at the end of a biennium. SB 140 establishes new funds for the Department of Veterans' Affairs and the Housing and Community Services Department, to allow the Legislature to allocate Measure 96 Lottery Funds to those departments to support veterans services. The bill includes an emergency clause, and takes effect on July 1, 2017.

ISSUES DISCUSSED:

- Ballot Measure 96 requirements
- Need for statutory changes to implement the ballot measure
- Purpose for establishing new funds to segregate the Ballot Measure 96 dedicated Lottery Funds from other moneys
- Allocations from the Veterans' Services Fund
- Provisions to prevent Ballot Measure 96 moneys from being diverted to other purposes
- Establishment of Ballot Measure 96 funds for the Department of Veterans' Affairs and Housing and Community Services Department

EFFECT OF AMENDMENT:

Replaces the bill.

BACKGROUND:

Voters approved Ballot Measure 96 in the November 2016 general election. This measure amended the Oregon Constitution to dedicate 1.5% of net lottery proceeds to services for the benefit of veterans. The constitutional amendment also directed the Legislature to establish a Veterans' Services Fund, to segregate the Lottery Funds dedicated to veterans' services by the ballot measure, so they would not be used for any other purposes.

SB 140 enacts statutory provisions to implement the ballot measure. The bill does not authorize Lottery Funds for any specific programs; instead it establishes restricted funds that will allow the Legislature to distribute lottery moneys and meet the requirements of ballot measure. The first Lottery Funds dedicated to veterans' services under the ballot measure will be available in July 2017. The Office of Economic Analysis forecasts that approximately \$18.7 million of Lottery Funds will be dedicated to veterans' services in the 2017-19 biennium.

The Legislature will approve allocations from the Veterans' Services Fund to state agencies, in each biennium budget, to support specific veterans' programs. This session, those allocations will be included in SB 5529.