

A-Engrossed
House Bill 4069

Ordered by the House February 16
Including House Amendments dated February 16

Sponsored by Representative LIVELY, Senator HANSELL, Representatives MEEK, SMITH DB; Representatives BARRETO, GOMBERG, HELM, LEWIS, MARSH, NEARMAN, NOBLE, POST, REARDON, RESCHKE, VIAL, Senators MONROE, ROBLAN (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.

Provides that fixed percentage of certain forecasted video lottery revenues be transferred to counties for economic development.

Provides that disbursements to counties from video lottery revenues be adjusted to compensate for differentials between previous biennium's forecasted revenues and actual revenues.

Provides that amount transferred to counties from video lottery revenue must be calculated as if certain transfers of lottery revenues to Public Employees Retirement Fund were not made.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to lottery revenues; creating new provisions; amending ORS 320.005 and 461.547; and pre-
3 scribing an effective date.

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

5 **SECTION 1.** ORS 461.547 is amended to read:

6 461.547. (1) **Each biennium**, the Oregon [*State Lottery Commission*] **Department of Adminis-**
7 **trative Services** shall transfer an amount equal to 2.5 percent of the net **forecasted** receipts from
8 video lottery games allocated to the Administrative Services Economic Development Fund to coun-
9 ties for economic development activities. Ninety percent of the moneys shall be distributed to each
10 county in proportion to the gross receipts from video lottery games from each county. Ten percent
11 of the moneys shall be distributed in equal amounts to each county. **The Oregon State Lottery**
12 **Commission shall determine and shall inform the department of the amounts to be trans-**
13 **ferred under this subsection.**

14 **(2) During the first quarter of each biennium:**

15 **(a) The commission shall determine and inform the department of the amount of net**
16 **actual receipts from video lottery games allocated to the Administrative Services Economic**
17 **Development Fund in the previous biennium;**

18 **(b) The commission shall determine and inform the department of the amount that each**
19 **county would have received under subsection (1) of this section in the previous biennium had**
20 **the transfer been based on the net actual receipts determined under paragraph (a) of this**
21 **subsection in place of the net forecasted receipts described in subsection (1) of this section;**

22 **(c) If the amount determined for a county under paragraph (b) of this subsection is**
23 **greater than the actual amount received under subsection (1) of this section by the county**

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 **in the previous biennium, the department shall disburse the difference to the county; and**

2 **(d) If the amount determined for a county under paragraph (b) of this subsection is less**
3 **than the actual amount received under subsection (1) of this section by the county in the**
4 **previous biennium, the department shall decrease one or more future disbursements to the**
5 **county under subsection (1) of this section until the amount of the difference has been de-**
6 **ducted.**

7 [(2)] (3) As used in this section:

8 (a) "Gross receipts from video lottery games" means the amount of money inserted into video
9 lottery games plus the value of any free game prizes used by players for subsequent games.

10 (b) "Net actual receipts from video lottery games" means the amount of money that is
11 received from the operation of video lottery games after the payment of prizes but prior to
12 any other payment.

13 [(b)] (c) "Net forecasted receipts from video lottery games" means the amount of money that
14 is forecasted to be received from the operation of video lottery games, after the payment of prizes
15 but prior to any other payment, **in the last revenue forecast published in the previous biennium**
16 **by the department.**

17 **SECTION 2. The amendments to ORS 461.547 by section 1 of this 2018 Act become oper-**
18 **ative on July 1, 2019.**

19 **SECTION 3.** ORS 320.005 is amended to read:

20 320.005. As used in ORS 320.005 to 320.150, unless the context requires otherwise:

21 (1) "Amusement device" means a video lottery game terminal, including but not limited to any
22 electronic, mechanical-electronic or nonmechanical device that:

- 23 (a) Displays a ticket through the use of a video display screen;
- 24 (b) Is available for consumer play upon the payment of consideration;
- 25 (c) Determines winners through the element of chance; and
- 26 (d) Displays possible prizes on the device.

27 (2) "Department" means the Department of Revenue.

28 [(3) "Net receipts" has the meaning given the term "net receipts from video lottery games" under
29 ORS 461.547.]

30 (3) "Net receipts" means the amount of money that is received from the operation of
31 video lottery games after the payment of prizes but prior to any other payment.

32 (4) "Operate" means to make an amusement device available for use by the public for gain,
33 benefit or advantage.

34 (5)(a) "Person" means every individual, partnership (limited or not), corporation (for-profit or
35 not-for-profit), company, cooperative, joint stock company, joint venture, firm, business trust, asso-
36 ciation, organization, institution, club, society, receiver, assignee, trustee in bankruptcy, auctioneer,
37 syndicate, trust, trustee, estate, personal representative or any group of individuals acting as a unit,
38 whether mutual, cooperative, fraternal, nonprofit or otherwise.

39 (b) "Person" includes this or another state, a municipal corporation, quasi-municipal corporation
40 or political subdivision of this or another state, and the agencies, departments and institutions of
41 this or another state, irrespective of the nature of the activities engaged in or functions performed,
42 but does not include the United States or a foreign government or any agency, department or
43 instrumentality of the United States or of any foreign government.

44 (6) "Tax year" means a period of 12 months beginning July 1 and ending the following June 30.

45 **SECTION 4. (1) During a biennium in which any provision of law requires a transfer of**

1 moneys from the State Lottery Fund to the Public Employees Retirement Fund, if State
2 Lottery Fund revenues received, after constitutionally required distributions, in the preced-
3 ing biennium exceed the State Lottery Fund revenues estimated to be received, after con-
4 stitutionally required distributions, in the biennium beginning July 1, 2017, in the first
5 estimate under ORS 291.349 in the biennium beginning July 1, 2017:

6 (a) The amount transferred to counties under ORS 461.547 (1) must be calculated as if
7 no transfers to the Public Employees Retirement Fund described in this subsection had been
8 made; and

9 (b) The amounts described in ORS 461.547 (2)(a) and (b) must be calculated as if no
10 transfers to the Public Employees Retirement Fund described in this subsection had been
11 made.

12 (2) It is the intent of the Legislative Assembly that the amounts transferred to counties
13 under ORS 461.547 not be affected by a transfer of moneys from the State Lottery Fund to
14 the Public Employees Retirement Fund described in subsection (1) of this section.

15 **SECTION 5.** This 2018 Act takes effect on the 91st day after the date on which the 2018
16 regular session of the Seventy-ninth Legislative Assembly adjourns sine die.

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