House Bill 4069

Sponsored by Representative LIVELY, Senator HANSELL, Representatives MEEK, SMITH DB; Representatives BARRETO, GOMBERG, HELM, LEWIS, MARSH, NEARMAN, NOBLE, POST, REARDON, 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 as introduced.

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

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

Takes effect on 91st day following adjournment sine die.

1 A BILL FOR AN ACT

Relating to lottery revenues; creating new provisions; amending ORS 320.005 and 461.547; and prescribing an effective date.

- Be It Enacted by the People of the State of Oregon:
- 5 **SECTION 1.** ORS 461.547 is amended to read:
- 461.547. (1) **Each biennium,** the Oregon State Lottery Commission shall transfer an amount equal to 2.5 percent of the net **forecasted** receipts from video lottery games allocated to the Administrative Services Economic Development Fund to counties for economic development activities. Ninety percent of the moneys shall be distributed to each county in proportion to the gross receipts from video lottery games from each county. Ten percent of the moneys shall be distributed in equal
- 11 amounts to each county.

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- (2) During the first quarter of each biennium:
- (a) The Legislative Fiscal Officer shall determine the amount of net actual receipts from video lottery games allocated to the Administrative Services Economic Development Fund in the previous biennium;
- (b) The commission shall determine the amount that each county would have received under subsection (1) of this section in the previous biennium if the transfer were based on the net actual receipts determined under paragraph (a) of this subsection in place of the net forecasted receipts described in subsection (1) of this section;
- (c) If the amount determined for a county under paragraph (b) of this subsection is greater than the actual amount received by the county in the previous biennium, the commission shall disburse the difference to the county; and
- (d) If the amount determined for a county under paragraph (b) of this subsection is less than the actual amount received by the county in the previous biennium, the commission shall decrease one or more future disbursals to the county under subsection (1) of this section in the amount of the difference.
 - [(2)] (3) As used in this section:
 - (a) "Gross receipts from video lottery games" means the amount of money inserted into video

lottery games plus the value of any free game prizes used by players for subsequent games.

- (b) "Net actual receipts from video lottery games" means the amount of money that is received from the operation of video lottery games after the payment of prizes but prior to any other payment.
- [(b)] (c) "Net forecasted receipts from video lottery games" means the amount of money that is forecasted to be received from the operation of video lottery games, after the payment of prizes but prior to any other payment, in the most recently published revenue forecast by the Oregon Department of Administrative Services.
- SECTION 2. The amendments to ORS 461.547 by section 1 of this 2018 Act become operative on July 1, 2019.
 - **SECTION 3.** ORS 320.005 is amended to read:
 - 320.005. As used in ORS 320.005 to 320.150, unless the context requires otherwise:
- (1) "Amusement device" means a video lottery game terminal, including but not limited to any electronic, mechanical-electronic or nonmechanical device that:
 - (a) Displays a ticket through the use of a video display screen;
 - (b) Is available for consumer play upon the payment of consideration;
 - (c) Determines winners through the element of chance; and
 - (d) Displays possible prizes on the device.
 - (2) "Department" means the Department of Revenue.
- [(3) "Net receipts" has the meaning given the term "net receipts from video lottery games" under ORS 461.547.]
- (3) "Net receipts" means the amount of money that is received from the operation of video lottery games after the payment of prizes but prior to any other payment.
- (4) "Operate" means to make an amusement device available for use by the public for gain, benefit or advantage.
- (5)(a) "Person" means every individual, partnership (limited or not), corporation (for-profit or not-for-profit), company, cooperative, joint stock company, joint venture, firm, business trust, association, organization, institution, club, society, receiver, assignee, trustee in bankruptcy, auctioneer, syndicate, trust, trustee, estate, personal representative or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit or otherwise.
- (b) "Person" includes this or another state, a municipal corporation, quasi-municipal corporation or political subdivision of this or another state, and the agencies, departments and institutions of this or another state, irrespective of the nature of the activities engaged in or functions performed, but does not include the United States or a foreign government or any agency, department or instrumentality of the United States or of any foreign government.
- (6) "Tax year" means a period of 12 months beginning July 1 and ending the following June 30.

 SECTION 4. This 2018 Act takes effect on the 91st day after the date on which the 2018 regular session of the Seventy-ninth Legislative Assembly adjourns sine die.