

**FISCAL IMPACT OF PROPOSED LEGISLATION**

80th Oregon Legislative Assembly – 2019 Regular Session  
Legislative Fiscal Office

**Measure: SB 483 - A**

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

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**Measure Description:**

Requires Oregon State Lottery, in event of systemwide event that causes winnings to go unclaimed, to stop use of faulty equipment or software and attempt to pay unclaimed winnings to players.

**Government Unit(s) Affected:**

Oregon State Lottery

**Summary of Fiscal Impact:**

Costs related to the measure are indeterminate at this time - See explanatory analysis.

**Analysis:**

SB 483 requires the Oregon State Lottery (Lottery) to make all reasonable efforts to identify and pay prizes to players whose prizes are unclaimed as a result of an error, malfunction, or failure of equipment or software. The -1 amendment modifies the language in the measure to describe an error or failure of the equipment or software as a "systemwide event."

The measure requires Lottery to biennially estimate the total value of unclaimed prizes that were not paid to players because of a systemwide event and report this amount to the Oregon Department of Administrative Services (DAS) and the Legislative Fiscal Officer. This amount is required to be allocated each biennium from the Administrative Services Economic Development Fund (EDF) to the Problem Gambling Treatment Fund. Currently, unclaimed prizes are transferred to the EDF as net lottery revenues to be used for the constitutionally authorized public purposes of economic development, public education, restoration and protection of Oregon's parks, beaches, watersheds, and native fish and wildlife, veterans, and outdoor school. The EDF is distributed in adherence with constitutional and statutory percentages, as well as specific legislative allocations. The Oregon Constitution includes dedicated transfers to the Education Stability Fund (15%), Parks and Natural Resources Fund (15%), and Veterans' Services Fund (1.5%). Statutory dedications include outdoor school education programs (4%, up to a maximum of \$5.5 million per quarter adjusted for inflation), county economic development programs (2.5% of net video lottery receipts), gambling addiction treatment programs (1%), public university sports programs and academic scholarships (1%), and county fair programs (1%, up to a maximum of \$1.53 million annually adjusted for inflation).

The measure would affect the biennial allocation of net lottery proceeds, increasing the amount of funds dedicated and transferred to the Problem Gambling Treatment Fund by the estimated amount of unclaimed prizes and reducing the amount available for other purposes. As the amount of unclaimed prizes attributable to a systemwide event is unknown, the fiscal impact of the measure is indeterminate. The measure warrants a subsequent referral to the Joint Committee on Ways and Means.