

LOTTERY REVENUE AND ALLOCATIONS

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Oregon State Lottery

- Created in 1984 through a voter approved amendment to the Oregon Constitution.
- Lottery revenues were initially dedicated to create jobs and further economic development.
- Subsequent voter approved constitutional amendments added public education and restoration and protection of Oregon's parks, beaches, watersheds, and native fish and wildlife as allowable uses of lottery revenues.
- Voters have also approved using lottery revenues to support veterans' services and outdoor school.

Lottery Revenues

- Lottery revenues are generated through traditional, sports betting, and video lottery gaming.
- Oregon Constitution requires that 84% of total annual lottery revenues be returned to the public in the form of prizes and net revenues that benefit the public purposes.
- Net revenues, after deduction for prizes and expenses, are transferred to the Administrative Services Economic Development Fund to be distributed for constitutional, statutory, and legislatively approved allocations.

Constitutional Dedications

- Education Stability Fund (18%)
- Parks and Natural Resources Fund (15%)
- Veterans' Services Fund (1.5%)

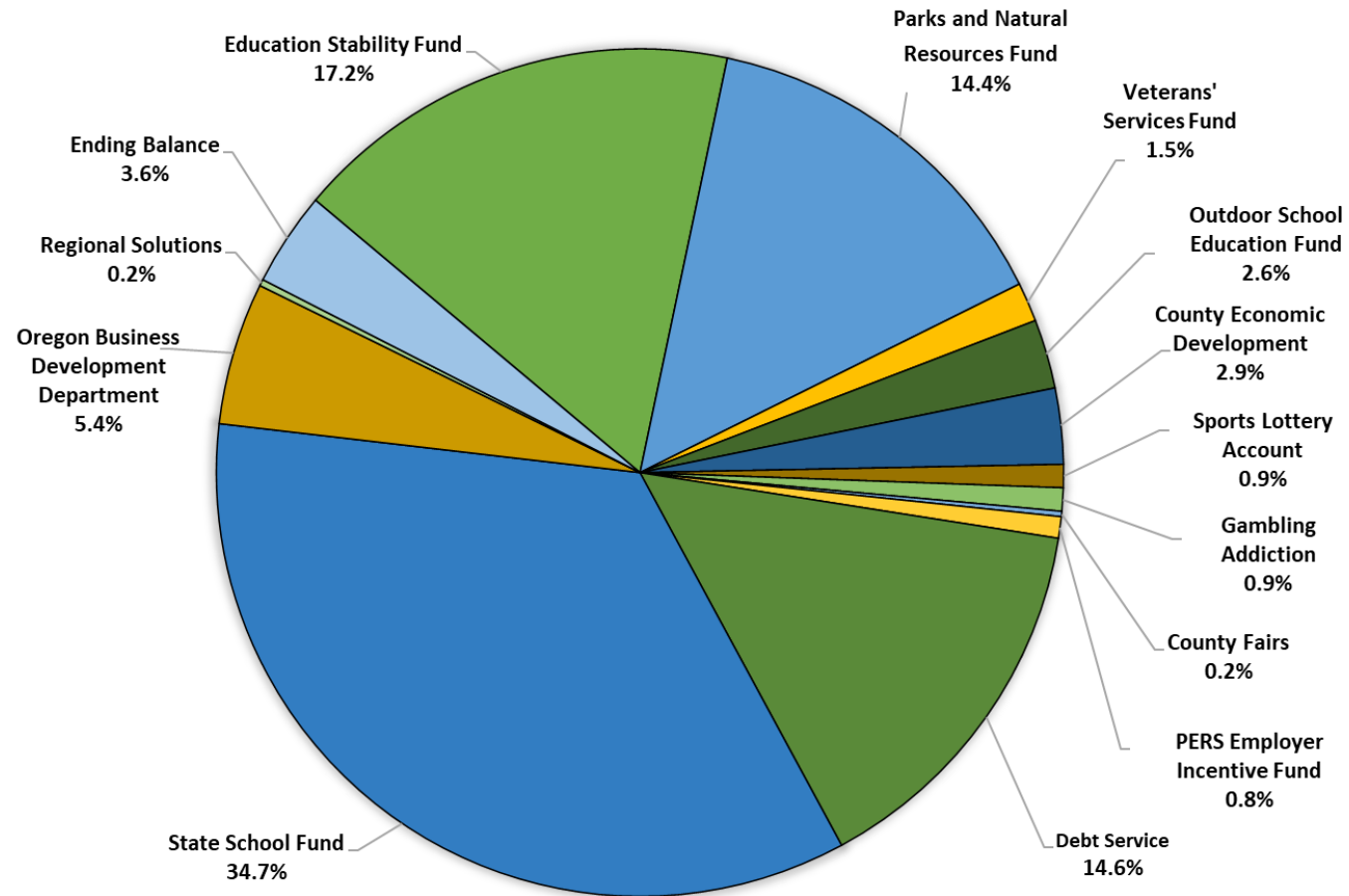
Statutory Dedications

- Outdoor School Education Fund (4%, up to a maximum of \$5.5 million per quarter, adjusted for inflation)
- County Economic Development (2.5% of net video lottery receipts)
- Gambling Addiction Treatment Programs (1%)
- Public University Sports Programs and Academic Scholarships (1%)
- County Fairs (1%, up to a maximum of \$1.53 million annually, adjusted for inflation)
- PERS Employer Incentive Fund (net proceeds of sports betting games)

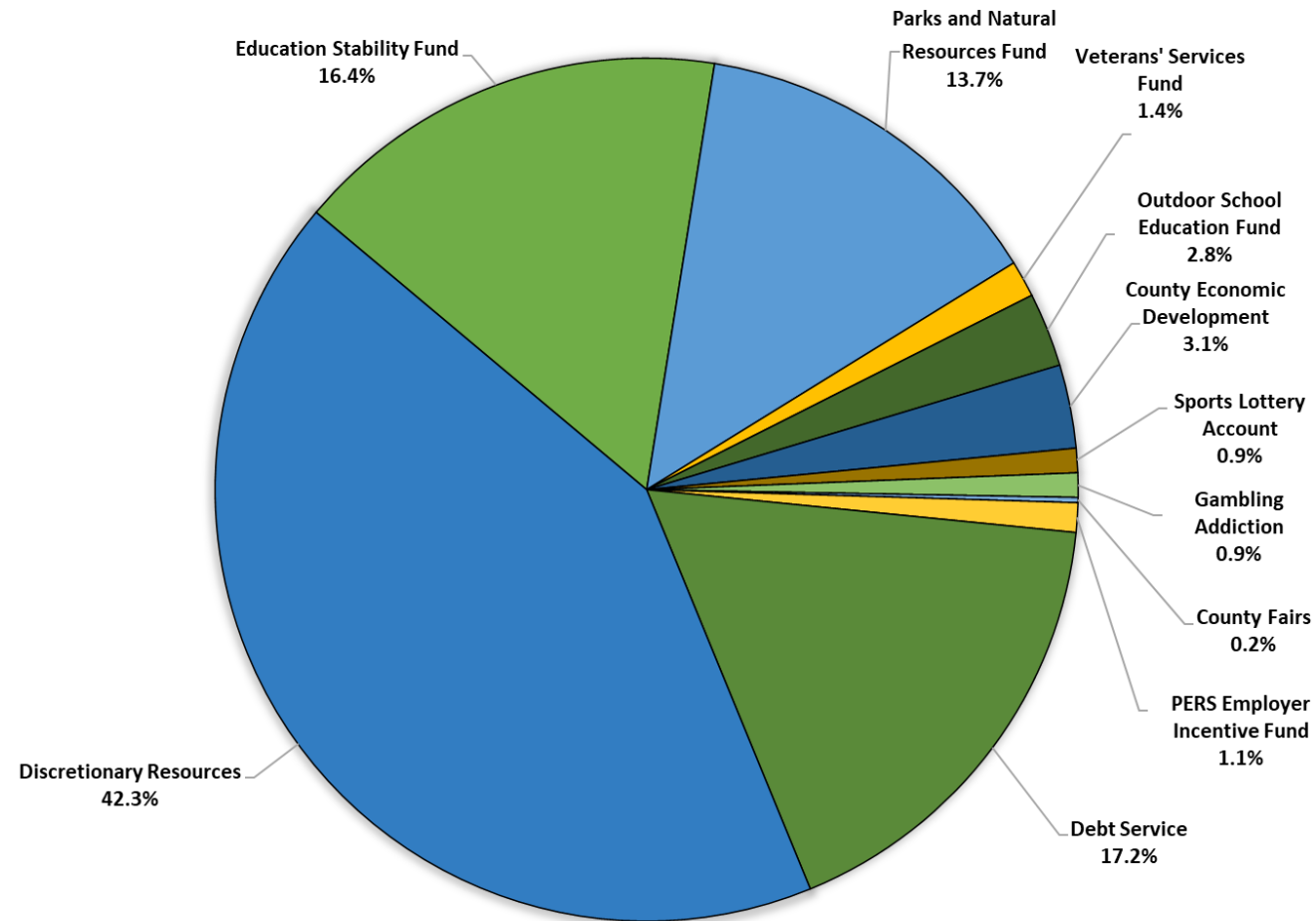
Lottery Revenue Bonds

- Lottery Revenue Bonds are issued to support projects and programs that benefit the same public purposes as lottery proceeds.
- Secured by net lottery revenues that support debt service on outstanding bonds.
- State Debt Policy Advisory Commission (SDPAC) recommends that the state limit Lottery Funds debt service to no more than 25% of net lottery revenues.
- \$1,037.5 million in lottery revenue bonds outstanding as of June 30, 2021.
- January 2022 SDPAC report projected that the state could issue \$560 million per biennium through fiscal year 2031.

2021-23 Lottery Resources
Constitutional, Statutory, and Legislative Allocations
(September 2022 Forecast)



2023-25 Lottery Resources
Constitutional, Statutory, and Debt Service Allocations
(September 2022 Forecast)



Lottery Resources and Allocations

September 2022 Forecast

(in millions of dollars)

	2021-23	2023-25
LOTTERY RESOURCES		
Revenues		
Traditional Lottery	169.778	156.904
Video Lottery	1,594.195	1,605.507
Scoreboard (Sports Betting)	27.821	33.154
Total Available to Transfer	1,791.793	1,795.564
Economic Development Fund (EDF) Resources		
Beginning Balance	72.370	67.136
Other Resources	8.392	2.000
Total Available Resources	1,872.555	1,864.700
ALLOCATION OF RESOURCES		
Constitutional Distributions		
Education Stability Fund	321.993	323.202
Parks and Natural Resources Fund	268.769	269.335
Veterans' Services Fund	28.010	26.933
Other Distributions		
Outdoor School Education Fund	49.419	54.678
County Economic Development	54.210	61.555
Public University Sports Lottery Account	16.515	17.956
Gambling Addiction	16.543	17.956
County Fairs	3.828	3.828
Employer Incentive Fund (PERS)	15.335	21.716
Debt Service	273.885	339.210
Other Legislatively Approved Allocations	756.913	-
Total Distributions	1,805.419	1,136.368
EDF Ending Balance/Discretionary Resources	67.136	728.332

Questions?

