

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 3394 - 7

81st Oregon Legislative Assembly – 2021 Regular Session
Legislative Fiscal Office

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

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Date: June 14, 2021

Measure Description:

Establishes State Gambling Task Force.

Government Unit(s) Affected:

Oregon State Lottery, Legislative Fiscal Office (LFO), Legislative Assembly, Oregon Racing Commission (ORC), Oregon State Police (OSP), County Sheriffs, Local Government, Tribal Government

Summary of Fiscal Impact:

Costs related to the measure are anticipated to be minimal - See explanatory analysis.

Analysis:

HB 3394 prohibits the Oregon State Lottery, during the time period beginning January 1, 2022 and ending January 2, 2023, from implementing any lottery games or game procedures that were not authorized or implemented before January 1, 2022, the effective date of this measure. The -7 amendment specified that this provision does not prohibit Lottery from entering into new contracts with video lottery game retailers or carrying out existing contracts with video lottery game retailers.

In addition, the measure establishes the 10-member State Gambling Task Force charged with studying and making recommendations regarding Oregon’s gambling policy and regulations. The Task Force is required to deliver a report to a Legislative committee on its findings and recommendations at least once every three months, with the final report to be submitted by December 1, 2022. Members of the Task Force are not entitled to compensation or reimbursement. The Task Force sunsets on January 2, 2023.

Oregon State Lottery (Lottery)

Passage of this measure is anticipated to have minimal fiscal impact on Lottery. The agency anticipates reprioritizing duties and responsibilities of existing staff to support the work of the Task Force.

Legislative Assembly

Passage of this measure is anticipated to have minimal fiscal impact on the Legislative Assembly. Per diem costs are expected to be \$4,100 for two members, nine meetings, operative date of January 1, 2022 and sunset of January 2, 2023. The 2021-23 Legislative Assembly budget contains funds allocated for members of the Legislative Assembly to participate in committees, boards, and task forces. However, if the work required by this task force, or if the cumulative enactment of other legislation with interim committees and task forces exceeds expenditure levels beyond those assumed in the 2021-23 budget, additional General Fund resources may be required.

Legislative Fiscal Office (LFO)

The Legislative Fiscal Office is directed to provide staff support to the Task Force. LFO anticipates reprioritizing existing staff and resources to provide the Task Force with administrative support. However, note that the measure requires the Task Force to solicit and accept input from relevant subject matter experts and from members of the public. If the Task Force determines that it would need to contract these activities to a

consultant with specialized expertise, it is assumed that LFO would be required to fund these activities. These costs cannot be quantified until the Task Force convenes and defines the scope of these activities.

Oregon Racing Commission (ORC), Oregon State Police (OSP), Local Government, Tribal Government
ORC, OSP, county sheriffs, local government, tribal government are identified as participants of the task force. This fiscal assumes that membership on the Task Force will have minimal impact on these entities, and that any Task Force work can be absorbed with existing resources.

Because the measure establishes a task force, it warrants a subsequent referral to the Joint Committee on Ways and Means.