

Date:	March 19, 2024
То:	Oregon State Lottery Commissioners
From:	Kris Skaro, rules and policy analyst
Subject:	End of the 2024 Legislative Session (Update #3)

The 2024 short session has adjourned. This session had big goals, including balancing the state budget, reforming Measure 110, spurring new housing development, improving access to behavioral health care, and passing campaign finance reform. They accomplished all that and more in a mostly bipartisan session. You can read an overview of the session <a href="here">here</a>. This memo provides an update on bills of interest to the Lottery.

## The House Committee on Gambling Regulation

As noted in the <u>last update</u>, the House Committee on Gambling Regulation introduced three bills relating to gambling policy, but none of the bills had enough support to move forward. It remains to be seen if the committee will be reappointed in the interim and/or the next legislative session. During the interim, some members of the committee plan to continue to work toward a statutory definition of casino for the next legislative session.

## **Lottery Revenue and Bonds**

Most Lottery revenue is appropriated in the long sessions held in odd-numbered years. However, the March revenue forecast showed additional resources available to the Legislature, including more Lottery revenue. The Legislature appropriated ~\$12.6 million to various Lottery beneficiaries like problem gambling treatment and prevention, education, economic development, and veterans' services. They also authorized the sale of an additional ~\$27 million in lottery-backed bonds, bringing the total bond amount to ~\$528,000 for the 23-25 biennium. The bonds will fund four new projects, including \$15 million for the Hillsboro Hops stadium. You can find more details about the budget bills in the attachment.

## Bills of Interest to the Lottery

The final report on all bills the Lottery tracked is attached for reference. Lottery is currently reviewing these bills and will update our policies and practices as needed to comply.

Thanks for your time and attention. If you have questions, please let me or Mike know.

## 2024 Legislative Session Final Report on Bills of Interest to the Lottery

Topic	#	Summary	Compliance Activities
Gambling Policy	HB 4051	HB 4051 is a continuation of past legislative efforts to limit or eliminate Oregon's role in facilitating wagering on greyhound racing. (While greyhound racing is illegal in most US states, nevertheless, Oregon-licensed "hubs" facilitate millions of dollars in wagers on greyhound racing each year.)	None. This bill did not pass, but regardless, does not apply to the Lottery.
		This bill did not pass. A summary of HB 4051 is available here. For more information on this topic, see the Oregon Racing Commission's presentation and/or watch this hearing.	
Gambling Policy	HB 4052	Redirects portion of payments made to the Oregon Racing Commission from the General Fund to equine and jockey safety.	None. This bill did not pass, but regardless, does not apply to the Lottery.
		This bill did not pass. A summary of HB 4052 is available here. You can watch a hearing on the bill here.	
Gambling Policy	HB 4053	HB 4053 prohibits casinos from operating in the state except tribal casinos. The bill defines a casino as "an establishment whose dominant use or dominant purpose, or both, is for gambling." HB 4053 also says that an establishment with "seven or more of any combination of video lottery game terminals and historical animal racing terminals" is presumed to be a casino and is, thus, also prohibited.	None. This bill did not pass. If invited, Lottery will participate and/or provide information to any interim workgroups working on this topic.

Торіс	#	Summary	Compliance Activities
		This bill did not pass. You can read the bill <a href="here">here</a> ; read a summary <a href="here">here</a> ; or watch the hearing <a href="here">here</a> . See also this <a href="memo from Legislative Counsel">memo from Legislative Counsel</a> about the casino prohibition.	
Human Resources	SB 1515	Makes changes to laws related to paid and unpaid family and medical leave. This bill is effective now. A detailed summary is available <a href="here">here</a> .	Lottery leave policies should be updated as needed.
Lottery Bonds	HB 5201	In addition to other bond-related changes, the bill increases the lottery revenue bond limit by ~\$27 million for a total of ~\$528 million in the 23-25 biennium. The money funds four new projects; previous bond approvals are also modified. For details, see the Budget Report <a href="here">here</a> .	FYI only.
Lottery Revenue	HB 5203	Increased Lottery revenue allocations by a net of \$12.6 million to typical Lottery revenue recipients, including problem gambling, education, economic development, and veterans' services. For details, see the Budget Report <a href="here">here</a> .	FYI only.
Lottery Revenue	SB 5701	This is the omnibus budget bill that adjusts appropriations for state agency budgets for the 23-25 biennium and resources available to the Emergency Board. Specific to Lottery revenue, SB 5701 increases the Lottery funds expenditure limitation by a net of \$42.6 million. For details, see the Budget Report <a href="here">here</a> .	FYI only.

Topic	#	Summary	Compliance Activities
Lottery Security	HB 4122	This bill allows state and local agencies to participate in a fingerprint retention program known as "rap back" in which fingerprints for employees or licensees remain on file and the agency will receive an alert when an employee's or licensee's criminal history changes.  This bill takes effect on June 6, 2024. A detailed summary is available <a href="here">here</a> .	Lottery Security and HR should review for awareness and to determine if Lottery is eligible and interested in participating.
PERS	HB 4045	HB 4045 makes changes to the Public Employee Retirement System (PERS) including lowering the normal retirement age for police officers and firefighters under the Oregon Public Service Retirement Plan (OPSRP). May apply to some Lottery and OLCC enforcement agents. This benefit becomes operative on January 1, 2025, and will be reflected in employer contribution rates during the 2025-27 biennium. See the Budget Report <a href="here">here</a> for more information.	FYI only.
Public Contracting	HB 4006	Requires state agencies to accept surety bonds from people who perform construction work for the state, instead of holding onto some of the money the agencies owe for the work, in order to make sure the work is done correctly. A summary is available <a href="here">here</a> .	None; Lottery is exempt from the underlying statute but sharing for awareness.
Public Contracting	SB 1575	Prohibits a public body from including a duty to defend requirement in construction agreements with persons	FYI only for Lottery Procurement. (This statute does apply to Lottery.)

Topic	#	Summary	Compliance Activities
		providing certain professional services. A summary is available <a href="here">here</a> .	
Public Meetings	HB 4117	Allows the Oregon Government Ethics Commission to give advice on the application of public meetings law to actual or hypothetical circumstances, in the same way they currently do for state ethics laws.	FYI only for the Commission and Director's Office.
Technology	SB 1596	Oregon's Right to Repair bill requires manufacturers of certain consumer electronic equipment to provide information or tools needed to repair the equipment. This law takes effect on January 1, 2025.	FYI only.
Tribal Relations	SB 5701	As noted above, SB 5701 is the omnibus budget bill that adjusts appropriations for state agency budgets for the 23-25 biennium and resources available to the Emergency Board.	FYI only.
		This bill appropriates \$30,000 General Fund to support development of a long-term strategy, policy recommendations, and outcomes related to state-tribal government-to-government relations in Oregon. Work is to be completed in consultation with the Task Force on Tribal Consultation; the Tribal Affairs Director in the Governor's Office; and the Legislative Commission on Indian Services. See the Budget Report <a href="https://example.com/here/budget/benefits/">here</a> .	