FISCAL IMPACT OF PROPOSED LEGISLATION

79th Oregon Legislative Assembly – 2017 Regular Session Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:

Prohibits greyhound racing.

Government Unit(s) Affected:

Oregon Racing Commission

Summary of Expenditure Impact:

See Analysis

Analysis:

This measure prohibits conducting greyhound races in Oregon.

There is no direct fiscal impact to the Oregon Racing Commission to implement this bill; nor is there a direct revenue impact since live greyhound racing ended in Oregon in 2004 when the last greyhound racetrack closed. Revenue to the state from betting on greyhound races is limited to simulcast wagers from Oregon hubs on live greyhound races in other states or countries. These wagers are made through Multijurisdictional Advance Deposit Wagering (ADW) companies, which provide a platform for an individual to make a parimutuel wager on races in another location. Nine such companies currently operate hubs in Oregon. The 2015-17 legislatively approved budget assumes they will collectively contribute \$1.3 million to the Racing Commission operating funds, \$2.8 million to support live horse racing and \$1.1 million to the General Fund.

The Oregon Racing Commission reports that three of the ADW companies have indicated that they would relocate to other states if this measure were to become law. While it is unknown if any of nine ADW companies will leave Oregon because of passage of this bill, if three were to do so, the revenue impact is estimated to total losses of \$92,580 to the General Fund, and \$714,540 to the Racing Commission -about 11% of the agency's 2017-19 current service level budget.