



## Support Oregon Lottery and House Bill 3389A

HB 3389A, created with input from the Oregon Lottery and the Oregon Restaurant and Lodging Association, does three things:

- (1) ANONYMITY-allows winners of large national lotteries (Powerball and Mega Millions) to remain anonymous if the winner chooses;
- (2) TRUSTEE-allows lottery winners to claim any prize under a trust through a trustee; and
- (3) SERVICE FEE-allows Oregon Lottery Commission to set rules permitting service fee of no more than thirty percent (30%) of the retail sales price of a lottery ticket.

**ANONYMITY:** Why claiming prizes **anonymously** and/or through a **trust** matters:

- Presently, lottery winners in Oregon and several states are required to publicly reveal their names and hometowns. These laws were passed long ago when there was fear of lottery corruption and well before the advent of Facebook, Instagram and the Internet.
- The public revelation of a winner's name and hometown often results in the winner being subject to serious harassment and threats. It is far too easy in today's world to find intimate personal details of a winner (home address, employment, family members, schools, etc.) with a simple Internet search. Winning the lottery should not be a curse, but it has been for far too many lottery winners and their families.
- Allowing winners of large lotteries to collect their prizes anonymously and/or through a trustee helps protect people from online criminals who would seek to exploit them.
- Recently, the largest single jackpot in U.S. history (around \$1.5 billion) was won in South Carolina, one of a growing number of states that allows winner anonymity. The winner has remained anonymous and allowed an attorney to handle his or her affairs.

**SERVICE FEE:** Why the **service fee** matters:

- Millennials do not purchase lottery tickets because they cannot do so by computer or phone, the means by which they make most purchases. Without sales to millennials, state revenue from lottery will significantly decline in the coming years.
- Recognizing this, a few states (MI, GA, IL) started online sales, and others (NY, NJ) passed laws that enable third party providers to do so working with lottery retailers.
- Lottery tickets can only be purchased by someone 18 years or older who is physically in the state of purchase. Thus, for online sales, third party services must be retained to provide age verification (customer over 18) and geolocation (customer within borders) services.
- But in Oregon, ORS 461.240 mandates that lottery tickets can only be sold for their retail sales price. Unless a retailer can also charge a small service fee to recoup any third-party costs, the retailer will lose money, and Oregon lottery revenues will decline.

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