

HB 3394 -3, -4, -5, -7, -10 STAFF MEASURE SUMMARY

House Committee On Rules

Prepared By: Caine Francis

Meeting Dates: 5/27, 6/3, 6/16

WHAT THE MEASURE DOES:

Establishes the State Gambling Task Force to study the impact of technology on gaming access, trends in player demographics and rates of gambling addiction, gambling regulatory systems implemented by other states, and the impact of state-sanctioned gambling on tribal communities. Directs the task force to evaluate the impact of state-sanctioned gambling on college sports and the effectiveness of the regulatory systems governing state-sanctioned gambling. Defines task force membership and directs the task force to submit a report to the Legislative Assembly every three months on its progress, with a final report due no later than December 1, 2022. Prohibits the Oregon State Lottery Commission and Oregon State Lottery from authorizing or implementing new lottery games or games procedures until January 2, 2023.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-3 Requires a mutuel wager on historical animal racing be placed from a physical race course of a licensee. Allows mutuel wager to be placed on an electronic device only if the device is owned or leased by the operator of the race course at which the wager is placed. Prohibits a person from placing a mutuel wager on historical animal racing via mobile phone, personal computer, or other electronic device. Applies provisions to multi-jurisdictional simulcasting and interactive wagering.

-4 Modifies date by which task force must submit its final report from December 1, 2022 to January 3, 2022. Retains prohibition on authorizing or implementing new lottery games until January 2023 but removes reference to "games procedures." Declares emergency, effective on passage.

-5 Establishes revenue distributions from licensed horse race courses that conduct mutuel wagering based on historical horse racing to Oregon horse organizations, including the Oregon Racing Commission, Oregon Thoroughbred Owners and Breeders Association, and Oregon Quarter Horse Racing Association. Requires distributions begin in 2022 and increase in amount by three percent each subsequent year.

-7 Specifies that the Oregon State Lottery Commission and Oregon State Lottery are prohibited from authorizing or implementing new lottery games playable on a mobile device, personal computer, or other personal electronic device until January 2, 2023.

-10 Clarifies that the task force shall provide an opportunity for public comment. Modifies progress reporting requirements from once every three months to a single report due March 1, 2022. Assigns staff support duties to the Legislative Policy and Research Office. Prescribes an effective date of 91 days following adjournment sine die.

BACKGROUND:

The Oregon State Lottery was created in 1984 through passage of the Oregon State Lottery Act, with the intent of providing additional moneys for the public purpose described in section 4, Article XV of the Constitution of the State of Oregon through the operation of a state lottery without the imposition of additional or increased taxes. ORS 461 provides administrative and operational requirements of the Oregon State Lottery, and ORS 461.217 sets regulations for video lottery games.

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House Bill 3394 establishes the State Gambling Task Force to study the impact of technology on gaming access, trends in player demographics and rates of gambling addiction, gambling regulatory systems implemented by other states, and the impact of state-sanctioned gambling on tribal communities. The measure also directs the task force to evaluate the impact of state-sanctioned gambling on college sports and the effectiveness of the regulatory systems governing state-sanctioned gambling. The measure defines task force membership and directs the task force to submit a report to the Legislative Assembly every three months on its progress, with a final report due no later than December 1, 2022. Finally, the measure prohibits the Oregon State Lottery Commission and Oregon State Lottery from authorizing or implementing new lottery games or games procedures until January 2, 2023.