



OREGON ECONOMIC
DEVELOPMENT ASSOCIATION

Office of the Director

Oregon Economic Development Association

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OREGON'S CHAMPION

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March 7, 2023

House Committee on Gambling Regulations

Oregon State Legislature

900 Court Street NE Salem, OR 97301

Chair Lively, Co-Chairs Chaichi and Wright, and Members of the Committee,

The Oregon Economic Development Association (OEDA) has reviewed House Bill 2261 relating to lottery disbursements to counties for the purpose of economic development and views the bill positively. As the statewide association for Oregon's economic development community, OEDA recognizes the importance of these funds toward activities that promote economic opportunity. This bill would ensure that the 2.5% of dedicated video lottery proceeds reach counties and that disbursements be adjusted to compensate for differences between biennium's forecasted revenues and actual revenues— allowing them to steward key investments in local economic development.

HB 2261 fixes a problem, which is that in recent years the formula determining these critical disbursements has been suspended and not properly distributed, causing counties to lose out on millions of dollars over the last several years. When this happens, counties' existing economic development programs and investments become vulnerable and risk losing traction or outright elimination. To address this, HB 2261 offers predictability via an initial fixed allocation with a true "up" or "down" adjustment mechanism— honoring the original legislative intent of 2.5% of net video lottery receipts toward counties. This makes administrative sense and assures counties of the support necessary to continue economic development work during this most critical recovery period to come.

The OEDA network includes over 150 member organizations across the state- cities, counties, ports, utilities, economic development districts, tribal governments and other entities that practice economic development. Our network also includes partners in workforce, entrepreneurship & innovation, business finance and technical assistance providers. Our OEDA community network represents the experts in Oregon economic development, and we appreciate the opportunity to share what it takes to grow regional economies. We hope you will consider House Bill 2261 favorably.

Sincerely,

A handwritten signature in blue ink that reads "Caitlyn Q." The signature is fluid and cursive.

Caitlyn Quwenikov (*Key-nov*)

Executive Director, Oregon Economic Development Association (OEDA)