

April 14, 2025

The Honorable Kathleen Taylor, Chair
The Honorable Daniel Bonham, Vice Chair
Members of the Senate Committee on Labor and Business
Oregon Legislature
900 Court St NE
Salem, OR 97301

Re: HB 3115 A (no position)

Chair, Vice-Chair, and Members of the Committee:

Thank you for the opportunity to provide background on [HB 3115 A](#), which would, among other things, prohibit the purchase or sale of winning Lottery tickets. While Lottery has no position on HB 3115 A, we appreciate Rep. Lively and the co-sponsors for bringing this discussion forward.

Background on “Discounting”

You might wonder why someone would want to sell their winning ticket for less than full value, a practice sometimes referred to as “discounting.” A player might sell their ticket to avoid traveling to a lottery payment center (in Salem or Wilsonville), which might be a long drive for some players. Players can claim their prize by mail but understandably, some players are reluctant to use this method.

A player may also sell their ticket for more nefarious reasons, such as if they know they owe outstanding child support, and that all or part of their prize may be garnished against that debt per [ORS 461.715](#).

Lottery has long been aware of this practice, which sometimes occurs informally. (For example, if you owe child support, you might have your friend claim the prize for you, and you split the winnings.) But we are also aware of a handful of small businesses and individuals who make a business out of purchasing winning lottery tickets from winners at deep discounts, [as reported in the Oregonian last year](#).

Lottery’s Position on Discounting

Lottery is opposed to discounting and we’ve taken steps to reduce the practice. For example, in 2023, we adopted a rule prohibiting our retailers from facilitating discounting. Violations can result in compliance action against the retailer, up to and including contract termination. See [OAR 177-040-0051\(5\)](#).

Also, each month, we share “high frequency claimant” information with the Oregon Department of Revenue. These claimants have the highest value of prize claims in the previous month. While some are legitimate players or big winners (such as a jackpot winner), some are professional discounters who claim hundreds of prizes each month.



Lastly, to reduce demand for discounting, we are exploring digital prize claims and payments. This would allow a player located in Medford, for example, to claim their prize online or on their mobile device to avoid driving to a payment center in Wilsonville or Salem.

Enforcement Challenges Will Remain

If HB 3115 A passes, Lottery will communicate directly with known discounters and explain that, under the new law, Lottery will deny prize claims if we have reason to believe the tickets were purchased from their original owner. We expect this will have a significant deterrent effect on our high frequency claimants.

That said, enforcement challenges will remain so long as Lottery games are played anonymously. It's simply the case that when a person presents an unsigned winning ticket or play slip to us for payment, we don't know whether the claimant is the original winner or not, and so the practice of discounting may continue even with passage of the bill.

Lottery will continue to explore solutions to the issue, such as providing a way to claim prizes digitally or expanding "known play" in which a player would need to log in or otherwise identify themselves and, thus, attach their name to any prizes won.

If you have questions or want more information, please contact me at 503-540-1411 or at matthew.shelby@lottery.oregon.gov.

Sincerely,

Matt Shelby
Oregon State Lottery