

Date:	7/17/25
To:	Oregon State Lottery Commissioners
From:	Kris Skaro, rules and policy analyst
Subject:	2025 Legislative Session – End of Session Report

2025 Legislative Session – End of Session Report

Overview

The 2025 legislative session adjourned on June 27, 2025. This session avoided the controversies of recent sessions such as walkouts but some capitol observers said the session <u>lacked focus</u>. OPB has a session overview you can read <u>here</u> or listen to <u>here</u>.

Lottery Bills

As discussed previously, two bills were passed that directly affect the Lottery.

HB 3115 prohibits the purchase or sale of winning Lottery tickets and shares or claiming a prize for compensation. The bill also prohibits the deduction of the price paid for a winning ticket or share from Oregon income for purposes of state income taxes and allows Lottery prize winners to remain anonymous.

Lottery has a detailed implementation plan for HB 3115, which takes effect on September 27, 2025. You can read more in the attached final bill report.

SB 914 requires Lottery to add a new statement to future billboard advertisements: "Need help with problem gambling? Call or text" followed by the phone number of a problem gambling helpline. Lottery will ensure this information is included on any new billboards that go up after January 1, 2026.

While Lottery took no position on either bill, we did testify on HB 3115 <u>in person</u> and <u>in writing</u> and provided informational material about problem gambling outreach in relation to SB 914.

Lottery Revenue

In each odd-numbered year, the Legislature appropriates projected future Lottery revenue to our beneficiaries and approves the sale of Lottery-backed revenue bonds to fund approved programs. This session, the Legislature appropriated over <u>a billion dollars in projected Lottery revenue</u> for the 2025-2027 biennium to education, state parks, veterans' services, county economic development, college athletics, problem gambling treatment and prevention, and more.

Additionally, the Legislature authorized the sale of \$442.7 million of net lottery bond proceeds to be spent on 45 approved projects in communities across Oregon.

Oregon State Lottery Presentations

In odd-numbered years, the Ways & Means Committee invites Lottery to present on our games, revenue, and operations. You can watch the presentation here or view our presentation here.

End-of-Session Action Report

In addition to the two Lottery bills mentioned above, several bills passed that apply generally to all state agencies, public employers, or boards and commissions. Over the next few months, subject matter experts at Lottery will review these bills and determine what compliance actions are needed to ensure Lottery complies with any changes to the law. You can read more in the attached bill report.

What's Next?

The next session will be a short session (so called because it is limited to 35 days) that will convene in mid-January 2026. Leading up to the next session, legislative committees will hold informational hearings in September, November, and January. We will keep you updated if Lottery is invited to attend any interim committee hearings.

If you have questions about the session, please let me or Mike know.

2025 Legislative Session Final Report on Bills of Interest to the Lottery

Topic	#	Summary	Compliance Activities
Lottery Policy	HB 3115	This bill was introduced in response to Oregonian reporting on a cottage industry of small businesses and individuals who buy winning tickets from players at deep discounts. The policy concern is that people may sell their ticket for less than face value to avoid having the prize garnished against unpaid child support or public assistance overpayments.	The Lottery has a comprehensive implementation plan for HB 3115 that includes rule changes, updated policies, procedures, and forms, website changes, and more. The Director's Office will ensure all required implementation activities will be completed by the by September 27, 2025.
Lottery Policy	SB 914	SB 914 requires Lottery to post the following statement or a substantially similar statement on billboard advertisements: "Need help with problem gambling? Call or text" followed by the phone number of a problem gambling helpline.	With an amendment, the law only applies to future billboards. In other words, Lottery does not need to change any billboards that are currently up. Lottery Marketing will ensure that any new billboard advertising as of January 1, 2026, will display the statement and helpline.
Lottery Revenue	<u>SB 5530</u>	SB 5530 allocates \$1,287.2 million in net lottery proceeds in 2025-27. This includes \$1,256.1 million from the Economic Development Fund and \$31.1 million from the Veterans' Services Fund and leaves a projected ending balance of \$40 million in the EDF.	An overview of allocations is below. See the Budget Report for more details. Outdoor School: \$48.1 million County Economic Development: \$59.8 million Problem Gambling: \$18.9 million College athletics/ scholarships: \$18.9 million County Fairs: \$5.7 million State School Fund: 606.5 million

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			 Business Oregon: \$103.1 million Debt Service: \$390 million Veterans' Services: \$31.1 million
Lottery Revenue	<u>SS 5531</u>	SB 5531 authorizes the sale of an additional \$442.7 million in lottery-backed revenue bonds to fund 45 approved projects plus one project for the 2027-29 biennium.	See the <u>Staff Measure Summary</u> for a list of approved projects.
Lottery Revenue	HB 5049	HB 5049 modifies allocations for the previous biennium (2023-25).	Provided for informational purposes only. See the lottery cash flow table in the <u>budget report</u> for changes in forecasted lottery revenues dedicated for each constitutional distribution.
Gambling Policy (non-Lottery)	HB 3020	HB 3020 prohibits wagering on dog races effective July 1, 2027. This is a continuation of past legislative efforts to limit or eliminate Oregon's role in facilitating wagering on greyhound racing. While greyhound racing is illegal in most US states, nevertheless, Oregon-licensed "hubs" facilitate millions of dollars in wagers on greyhound racing each year. For reference, bills in previous session about this topic include SB 1504 (2022), which passed, and HB 3514 (2023) and HB 4051 (2024), which did not pass.	Lottery has no jurisdiction over parimutuel wagering on animal races. The bill is summarized here to keep Lottery abreast of changes to state gambling laws.

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Gambling Policy (non-Lottery)	SB 854	SB 854 authorizes civil penalties for certain violations of animal racing laws.	The bill is summarized here to keep Lottery abreast of changes to state gambling laws.
Gambling Policy (non-Lottery)	SB 856	SB 856 authorizes employees of the ORC to place bets or wagers on race meets in the course of their official auditing duties.	The bill is summarized here to keep Lottery abreast of changes to state gambling laws.
Gambling Policy (non-Lottery)	SB 857	SB 857 provides that a person who reports a violation of animal racing laws is confidential and not subject to disclosure under public records laws.	The bill is summarized here to keep Lottery abreast of changes to state gambling laws.
Human Resources	HB 2957	Effective immediately, HB 2957 prohibits an employer from entering into an agreement with a former, current, or prospective employee that has the effect of shortening a statute of limitations regarding a violation over which BOLI has enforcement authority.	Lottery HR should be aware but no other compliance activities are required.
Human Resources	HB 3187	Effective September 27, 2025, HB 3187 makes it unlawful for an employer, prospective employer, or employment agency, prior to completing an initial interview, or if there is no initial interview, prior to making a conditional offer of employment, to request or require disclosure of the applicant's age or date of	Lottery does not require that information in our current hiring process but HR should review for awareness and to ensure ongoing compliance.

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		birth or when the applicant attended or graduated from any educational institution, except when such information is required to confirm the applicant meets bona fide occupational qualifications; or to comply with any provision of federal, state or local law, rule or regulation.	
Human Resources	SB 69	Effective September 27, 2025, SB 69 makes changes to Oregon family and medical leave laws.	Most changes are technical and would not affect the Lottery but HR should review the bill and Staff Measure Summary to determine if changes are needed to paid leave policies or practices.
Human Resources	SB 731	Effective January 1, 2026, SB 731 requires public employer employment policies to provide for a pay differential for sign language skills in the same manner that pay differentials are provided for other bilingual or multilingual skills.	Lottery's policy is already consistent with the law but HR should review for awareness and to ensure ongoing compliance.
Human Resources	SB 808	Effective January 1, 2026, SB 808 requires public employers to give preference in hiring and promotions to current and former members of the Oregon National Guard.	HR should update the Veterans' Preference Procedure by January 1, 2026.

Торіс	#	Summary	Compliance Activities
Human Resources	SB 858	SB 858 makes technical changes to the administration of the Paid Leave Oregon program.	HR should review for awareness but it does not appear changes are needed to Lottery's paid leave policies or practices.
Human Resources	SB 968	Effective January 1, 2026, SB 986 provides conditions and procedures under which a public employer may deduct amounts of erroneous payments from an employee's wages. For example, the deduction must be for an overpayment that occurred within a certain timeframe and for which the employee was provided written notice. The total amount of a deduction may not exceed five percent of the employee's gross pay for the pay period unless the employee requests a greater percentage be deducted.	HR and Finance and Accounting should review and ensure current practices comply with the new law.
Human Resources	<u>SB 1108</u>	Effective January 1, 2026, SB 1108 makes blood donation a permissible use of sick time under ORS 653.616.	Lottery policy already allows employees to use paid sick leave for any use listed in ORS 653.616 but HR should review for awareness
State Agency Rulemaking	HB 3569	Effective January 1, 2026, HB 3569 requires an agency that appoints a rules advisory committee with regard to rules implementing legislation to invite certain legislators to participate on the committee as nonvoting members.	Lottery has updated rulemaking procedures to reflect this new requirement.

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State Agency Contracting	HB 3646	Effective September 27, 2025, HB 3646 allows a public agency to give preference in contracting to employee-owned vendors.	Lottery is exempt from most public contracting statutes, including this one. (See ORS 461.120(1)(a).) Procurement should review for awareness of state agency contracting practices.
Ethics Laws	HB 2930	Under current law, a public official and their relatives are subject to conflict-of-interest provisions in the public ethics laws. Effective January 1, 2026, HB 2930 applies those provisions to members of the household of public officials. A member of the household includes any person who resides with the public official.	The Director's Office should update Lottery's Ethics Policy to reflect the new law. When reporting actual or potential conflicts of interest, employees and Commissioners should be aware that conflicts apply to members of their households who are not relatives.
Ethics Laws	HB 2932	Effective January 1, 2026, HB 2932 allows a public official to accept compensation from any post-secondary institution for teaching one or more courses at the institution by exempting this from the statute prohibiting a public official from using the official's position or office to obtain a financial benefit or avoid financial harm.	Lottery staff who receive questions about how state ethics laws apply should be aware of the new exception. Lottery's current Ethics Policy links to the exceptions in state ethics law, so in that respect, this is already covered under our policy. It's likely there will be an updated Public Officials Guide published by the Oregon Ethics Commission that will include this new exception.
Information Technology	HB 3936	Effective January 1, 2026, HB 3936 prohibits state agencies from allowing certain artificial intelligence (AI) hardware, software, or services from being	IT and Info Security should review the law and ensure the AI hardware, software, or services covered by the bill cannot be downloaded, used,

Торіс	#	Summary	Compliance Activities
		downloaded, installed, used, or accessed on state- owned devices.	or accessed on Lottery-owned devices. See also bill summary <u>here</u> .
Information Technology	SB 1090	Effective June 26, 2025, SB 1090 directs the State Chief Information Officer to adopt a policy and procedure for state agencies to follow when requesting funding for information technology budgets and projects.	Lottery is exempt from the bill (see section (1)(b)(C)) but Lottery could review the DAS policy to see if there are best practices Lottery wants to adopt.
Data Privacy	HB 2008	Effective January 1, 2026, the Oregon Consumer Privacy Act prohibits "controllers" from selling personal data that pertains to a consumer, if the controller has actual knowledge, or disregards knowledge of whether, a consumer is under 16 years of age or if the personal data accurately identifies within a radius of 1,750 feet a consumer's present or past location or the present or past location of a device that links or is linkable to the consumer.	The Lottery as a public body is not subject to the law but it's possible our vendors are if the meet the thresholds for personal data and are not otherwise exempt. We should make our vendors aware of the law.
Online Commerce	SB 430	Effective January 1, 2026, SB 430 prohibits a person that offers or sells goods or services online from advertising, displaying, or offering a price for the goods or services that does not include all fees or charges that a purchaser must pay to complete a transaction with some exceptions and exemptions.	Public bodies are not exempt from this, which means any of our vendors would be subject. We should make our vendors aware of the law.

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Tribal	HB 2069	HB 2069 establishes Task Force on Tribal Consultation 2025. Requires the task force to identify and clarify requirements of state agencies to engage in tribal consultation. Requires the task force to report findings and recommendations on tribal consultation to an interim committee of the Legislative Assembly related to government by September 15, 2026.	Lottery should review the task force recommendations and incorporate best practices into its policy and procedure on tribal consultation in 2027.
Miscellaneous Bill of Interest	SB 1005	SB 1005 provides that when offering a service with age restrictions, a private entity is allowed to swipe a driver license or identification card to verify a person's age, regardless of how old the person looks. For background, current law and rules allows a private entity to swipe someone's driver's license or identification (ID) card for certain purposes. One allowable situation is if there is any reasonable doubt of the person being 21 years of age when they are accessing age-restricted goods or services. The Oregon Administrative Rules (OAR) state that reasonable doubt exists if the person appears to be under the age of 26 (OAR 845-006-0335(1)(a)). Businesses in Oregon, mainly convenience stores, are increasingly implementing universal ID check policies for alcohol and tobacco products. Two class action lawsuits have been filed challenging these policies. SB 1005 removes the language stating that there must be reasonable doubt of the person being 21 years of age in order to	No compliance activities are required but Retail Channel should review for awareness since this would allow Lottery retailers to have a universal ID policy for age-restricted products including Lottery products.

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		swipe their ID, making universal ID check policies allowable.	