SENATE COMMITTEE ON RULES

May 08, 2003 3:00 pm Hearing Room 343 Tapes 48 - 49

MEMBERS PRESENT:	Sen. Kate Brown, Co-chair Sen. Bev Clarno, Co-chair
	Sen. Jason Atkinson Vice-chair
	Sen. Ginny Burdick Vice-chair
	Sen. Roger Beyer
	Sen. Tony Corcoran
STAFF PRESENT:	Jim Stembridge, Committee Administrator Patricia Nielsen, Committee Assistant
MEASURE/ISSUES HEARD:	SB 706 – Work Session
	SB 678 – Work Session
	SB 279 – Public Hearing

These minutes are in compliance with Senate and House Rules. <u>Only text enclosed in quotation marks reports a speaker's exact words.</u> For complete contents, please refer to the tapes.

TAPE#	Speaker	Comments
TAPE 48, <i>A</i>	A	
005	Chair Brown	Calls the meeting to order at 3:05 p.m. and opens the work session on SB 706.
<u>SB 706 – W</u>	ORK SESSION	
010	Jim Stembridge	 Committee Administrator. Presents overview of SB 706 which prohibits person other than person signing petition from writing information about person signing petition on signature sheet of state initiative or referendum petition or recall petition. Discusses proposed -1 amendments dated 4-7-03 (EXHIBIT A) which provides an exemption for person with disability who requests assistance.
015	Chair Brown	Acknowledges written testimony from Kappy Eaton (EXHIBIT B).
030	Sen. Atkinson	MOTION: Moves to ADOPT SB 706-1 amendments dated 4/7/03.
040	Sen. Burdick	Expresses approval of SB 706 and -1 amendments as a way to curb abuse of the initiative system while making provision for disabled voters.
045 050	Sen. Beyer	Comments the -1 amendments make the bill less restrictive. VOTE: 6-0
	Chair Brown	Hearing no objection, declares the motion CARRIED.
053	Sen. Atkinson`	MOTION: Moves SB 706 to the floor with a DO PASS AS AMENDED recommendation.
055		VOTE: 5-1
		AYE: 5 - Atkinson, Burdick, Corcoran, Brown, Clarno
		NAY: 1 - Beyer

060 Chair Brown Closes work session on SB 706. Opens the work session on SB 678. SB 678 - WORK SESSION 062 Chair Brown Acknowledges written testimony of Kappy Eaton (EXHIBIT B). 065 Jim Stembridge Presents overview of SB 678, which directs circulator of election petitions, including initiative, referendum and recall petition signature sheet. 070 Sen. Atkinson WOTON: Woves SB 678 to the floor with a DO PASS recommendation. 075 Sen. Atkinson WOTOE: Noves SB 678 to the floor with a DO PASS recommendation. 075 Sen. Atkinson WOTOE: Stowes SB 678 to the floor with a DO PASS recommendation. 075 Sen. Atkinson VOTE: 5-1 AYE: 5 - Atkinson, Burdick, Corcoran, Brown, Clarno 085 Chair Brown The motion CARRES. 085 Chair Brown Closes work session on SB 678. Opens public hearing on SB 279. 085 Chair Brown Presents overview of SB 279, which limits compensation of video lottery game retailers to 15 percent of net receipts. 090 Jim Stembridge Presents overview of SB 279, which limits compensation of SB 279. 095 Rep. Diane Submits written testimony (EXHIBIT C). 185 Sen. Corcoran Submits written testinoney retailers to 15 percent figure is negotiable. Remi		Chair Brown	The motion CARRIES.
58. 678. 678. 3062 Chair Brown 3065 Jim Stembridge 3066 Jim Stembridge 3070 Sen. Atkinson 3071 Sen. Atkinson 3075 Sen. Atkinson 3075 Sen. Atkinson 3075 Sen. Atkinson 3076 Chair Brown 3077 Sen. Atkinson 3078 Chair Brown 3079 Sen. Atkinson 3080 Chair Brown 319 Stembridge 329 Presents overview of SB 678, to the floor with a DO PASS recommendation. 329 VOTE: 5-1 AYE: 5 - Atkinson, Burdick, Corcoran, Brown, Clarno Clarno NAY: 329 PUBLIC HEARING 3200 Jim Stembridge 3219 Presents overview of SB 279, which limits compensation of video ottery game retailers to 15 percent of net receipts. 3200 Jim Stembridge 3219 Presents overview of SB 279, which limits compensation of video ottery game retailers to 15 percent of net receipts. 3200 Jim Stembridge 3210 Jim Stembridge			SEN. ATKINSON will lead discussion on the floor.
SB 678 - WORK SESSION Acknowledges written testimony of Kappy Eaton (EXHIBIT B). 1065 Jim Stembridge Presents overview of SB 678, which directs circulator of election petitions, including initiative, referendum and recall petitions, to certify that circulator witnessed the signing of the petition signature sheet by each individual whose name appears on the signature sheet. 1070 Sen. Atkinson MOTION: Moves SB 678 to the floor with a DO PASS recommendation. 1075 Sen. Atkinson VOTE: 5-1 1076 Sen. Atkinson VOTE: 5-1 1078 Chair Brown I - Beyer 1079 Sen. Atkinson VOTE: 5-1 1070 Sen. Atkinson Clarno 1075 Sen. Atkinson VOTE: 5-1 1078 Chair Brown Closes work session on SB 678. Opens public hearing on SB 279. 1085 Chair Brown Closes work session on SB 678. Opens public hearing on SB 279. 1085 Chair Brown Presents overview of SB 279, which limits compensation of video lottery game retailers to 15 percent of net receipts. 1090 Jim Stembridge Presents overview of SB 279, which limits compensation of video lottery game retailers to 15 percent of figure is negotiable. Reminds members there is revenue of S140 million per year which should be made available to medically needy, correcions and dcuacianol programs.	060	Chair Brown	1
062 Chair Brown Acknowledges written testimony of Kappy Eaton (EXHIBIT B). 065 Jim Stembridge Presents overview of SB 678, which directs circulator of election petitions, including initiative, referendum and recall petitions, signature sheet. 070 Sen. Atkinson MOTION: Moves SB 678 to the floor with a DO PASS recommendation. 075 Sen. Atkinson VOTE: 5-1 075 Sen. Atkinson VOTE: 5-1 076 Chair Brown SEN. DEVLIN will lead discussion on the floor. 078 Chair Brown Closes work session on SB 678. Opens public hearing on SB 279. 085 Chair Brown Closes work session on SB 678. Opens public hearing on SB 279. 086 Jim Stembridge Presents overview of SB 279, which limits compensation of video lottery game retailers to 15 percent of net receipts. 090 Jim Stembridge Presents overview of SB 279, which limits compensation of video lottery game retailers to lot percent of net receipts. 095 Rep. Diane House District 4.A sponsor of bill, comment shat retailer profits are too high. Advises the across-the-board 15 percent figure is negotiable. Reminds members there is revenue of \$140 million per year which should be made available to medically needy, corrections and ducational programs. 225 Joseph Cortright Continues, discusses tuleis analyzing profits from video poker machines. Sugges	SD (70 W	ODV SESSION	6/8.
065 Jim Stembridge Presents overview of SB 678, which directs circulator of election petitions, including initiative, referendum and recall petitions, to certify that circulator vitnessed the signing of the petition 070 Sen. Atkinson MOTION: Moves SB 678 to the floor with a DO PASS recommendation. 075 Sen. Atkinson WOTE: 5-1 075 Sen. Atkinson VOTE: 5-1 075 Sen. Atkinson VOTE: 5-1 076 Chair Brown The motion CARRIES. SEN. DEVLIN will lead discussion on the floor. Clarno 085 Chair Brown Closes work session on SB 678. Opens public hearing on SB 279. 085 Chair Brown Presents overview of SB 279, which limits compensation of video lottery game retailers to 15 percent of net receipts. 090 Jim Stembridge Presents overview of SB 279, which limits compensation of video lottery game retailers to 15 percent of net receipts. 095 Rep. Diane House District 42. Appears and testifies in support of SB 279. Submits written testimony (EXHIBIT C). 185 Sen. Corcoran Senate District 4. As sponsor of bill, comments that retailer profits are too high. Advises the across-the-board 15 percent figure is negotiable. Reminds members there is revenue of \$140 million per year which should be made available to medically needy, corrections and educational programs. 235 J		-	A almostile decay symitteen teaction and a of Vanney Fatan (EVIIIDIT D)
petitions, including initiative, referendum and recall petitions, to certify that circulator witnessed the signing of the petition signature sheet. 070 Sen. Atkinson 0710 Sen. Atkinson 070 Sen. Atkinson 0710 Sen. Atkinson 072 Sensena 073 Sensena 074 Presents overview of SB 279. which limits compensation of vide			
certify that circulator witnessed the signing of the petition signature sheet by each individual whose name appears on the signature sheet.070Sen. AtkinsonMOTION: Moves SB 678 to the floor with a DO PASS recommendation.075Sen. AtkinsonVOTE: 5-1 AYE: 5 - Atkinson, Burdick, Corcoran, Brown, Clarno NAY: 1 - Beyer085Chair BrownThe motion CARRIES. SEN. DEVLIN will lead discussion on the floor. Closes work session on SB 678. Opens public hearing on SB 279.085Chair BrownPresents overview of SB 279, which limits compensation of video lottery game retailers to 15 percent of net receipts.090Jim StembridgePresents overview of SB 279, which limits compensation of video lottery game retailers to 15 percent of net receipts.095Rep. Diane RosenbaumHouse District 42. Appears and testifies in support of SB 279. Submits written testimony (EXHIBIT C).185Sen. CorcoranSenate District 4. As sponsor of bill, comments that retailer profits are too high. Advises the across-the-board 15 percent figure is negotable. Reminds members there is revenue of \$140 million per year which should be made available to medically needy, corrections and educational programs.235Joseph CortrightContinues, discusses studies analyzing profits from video poker machines. Suggests SB 279. submits written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight. Legislative Coordinator, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT E).245Sen. BurdickAcks if there is any justification for putting current contracts aside.	065	Jim Stembridge	
signature sheet by each individual whose name appears on the signature sheet. 970 Sen. Atkinson MOTION: Moves SB 678 to the floor with a DO PASS recommendation. 975 Sen. Atkinson VOTE: 5-1 AYE: 5- Atkinson, Burdick, Corcoran, Brown, Clarno NAY: 1 – Beyer The motion CARRIES. SEN. DEVLIN will lead discussion on the floor. 985 Chair Brown Closes work session on SB 678. Opens public hearing on SB 279. 990 Jim Stembridge Presents overview of SB 279, which limits compensation of video 990 lots The motion CARRIES Sen. DEVLIN will lead discussion on the floor. 995 Rep. Diane House District 42. Appears and testifies in support of SB 279. 995 Rep. Diane House District 42. Appears and testifies in support of SB 279. 996 Sen. Corcoran Senate District 42. As sponsor of bill, comments that retailer 997 profits are too high. Advises the across-the-board 15 percent 1998 fragotable to medically 998 units written testimony (EXHIBIT C). 185 Sen. Corcoran Senate District 42. As popars and testifies in support of SB 279. 999 Submits written testimony (EXHIBIT D). 185 Loseph Cortright Consulting economist. Testifies in support of SB 279. Submits 990 written testimony (EXHIBIT D). Discusses background of video 991 how in the state of SB 279. Submits written testimony (EXHIBIT D). 1990 Steve Novick Continues, discusses studies analyzing profits from video poker 995 maximizes revenue to the state while 996 allowing reasonable rate of return for retailers. 1997 Sen. Burdick Asks if there is any justification for putting current contracts 996 aside. 997 Sen. Burdick Asks whether lowering commission will result in less demand 998 Asis whether lowering commission will result in less demand 999 for the machines. 990 Novick Resondenter shows the profits would still be high 990 enough to make it profitable.			
signature sheet.070Sen. Atkinson075Sen. Atkinson075Sen. Atkinson075Sen. Atkinson076VOTE: 5-1AYE:S-Atkinson, Burdick, Corcoran, Brown, Clarno NAY:1 - BeyerChair BrownThe motion CARRIES. SEN. DEVLIN will lead discussion on the floor. Closes work session on SB 678. Opens public hearing on SB 279.085Chair Brown085Chair Brown085Chair Brown090Jim Stembridge090Jim Stembridge095Rep. Diane Rosenbaum815Sen. Corcoran85Sen. Corcoran8615Sen. Corcoran862Sente District 42. Appears and testifies in support of SB 279. Submits written testimony (EXHIBIT C). Senate District 44. As sponsor of bill, comments that retailer profits are too high. Advises the across-the-board 15 percent figure is negotiable. Reminds members there is revenue of \$140 million per year which should be made available to medically needy, corrections and educational programs.235Joseph CortrightConstilting economist. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight.236Steve NovickLegislative Coordinator, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT E).235Sen. BurdickAsks if there is any justification for putting current contracts aside.236NovickContinues, discusses studies analyzing profits from video poker mach			
070 Sen. Atkinson MOTION: Moves SB 678 to the floor with a DO PASS recommendation. 075 Sen. Atkinson VOTE: 5-1 AYE: 5 - Atkinson, Burdick, Corcoran, Brown, Clarno NAY: 1 - Beyer Chair Brown The motion CARRIES. 085 Chair Brown 085 Chair Brown 085 Chair Brown 090 Jim Stembridge 091 Presents overview of SB 279, which limits compensation of video lottery game retailers to 15 percent of net receipts. 092 Rep. Diane Rosenbaum Submits written testimony (EXHIBIT C). 185 Sen. Corcoran Senate District 4.2. Appears and testifies in support of SB 279. 185 Sen. Corcoran Senate District 4.2. So sponsor of bill, comments that retailer profits are too high. Advises the across-the-board 15 percent figure is negotiable. Reminds members there is revenue of S140 million per year which should be made available to medically needy, corrections and educational programs. 235 Joseph Cortright Consulting economist. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight. 236 Joseph Cortright Continues, discusses studies analyzing profits from			
Precommendation. 075 Sen. Atkinson VOTE: 5-1 AYE: 5- Atkinson, Burdick, Corcoran, Brown, Clarno NAY: 1 – Beyer Chair Brown 1 – Beyer Chair Brown Closes work session on SB 678. Opens public hearing on SB 279. SB 279 – PUBLIC HEARING Presents overview of SB 279, which limits compensation of video lottery game retailers to 15 percent of net receipts. 090 Jim Stembridge Presents overview of SB 279, which limits compensation of video lottery game retailers to 15 percent of net receipts. 095 Rep. Diane House District 42. Appears and testifies in support of SB 279. 185 Sen. Corcoran Senate District 4. As sponsor of bill, comments that retailer profits are too high. Advises the across-the-board 15 percent figure is negotiable. Reminds members there is revenue of \$140 million per year which should be made available to medically needy, corrections and educational programs. 235 Joseph Cortright Consulting economist. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). Discusse background of video lottery programs and dwork of Task Force On Lottery Oversight. 235 Joseph Cortright Consulting econductor, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). Discusse background of video lottery programs and educational programs. 235 Joseph Cortright Consulting econductor, Department of Education. Testifies i			
075 Sen. Atkinson VOTE: 5-1 AYE: 5- Atkinson, Burdick, Corcoran, Brown, Clarno NAY: 1 – Beyer Chair Brown The motion CARRIES. SEN. DEVLIN will lead discussion on the floor. 085 Chair Brown Closes work session on SB 678. Opens public hearing on SB 279. SB 279 – PUBLIC HEARING Presents overview of SB 279, which limits compensation of video lottery game retailers to 15 percent of net receipts. 090 Jim Stembridge Presents overview of SB 279, which limits compensation of SB 279. 095 Rep. Diane House District 42. Appears and testifies in support of SB 279. 185 Sen. Corcoran Senate District 4. As sponsor of bill, comments that retailer profits are too high. Advises the across-the-board 15 percent figure is negotiable. Reminds members there is revenue of \$140 million per year which should be made available to medically meedy, corrections and educational programs. 235 Joseph Cortright Consulting economist. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight. 380 Steve Novick Legislative Coordinator, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). 025 Sen. Burdick Asks if there is any justification for putting current contracts aside. 030 Novick Recommends Attorney General (AG) opinion. <t< td=""><td>070</td><td>Sen. Atkinson</td><td></td></t<>	070	Sen. Atkinson	
AYE:5 - Atkinson, Burdick, Corcoran, Brown, Clarno NAY:1 - Beyer The motion CARRIES. SEN. DEVLIN will lead discussion on the floor.085Chair Brown085Chair Brown085Chair BrownSB 279 - PUBLIC HEARING 090Jim Stembridge090Jim Stembridge090Jim Stembridge091Presents overview of SB 279, which limits compensation of video lottery game retailers to 15 percent of net receipts.095Rep. Diane Rosenbaum185Sen. Corcoran185Sen. Corcoran235Joseph Cortright235Joseph Cortright236Steve Novick237Legislative Coordinator, Department of Education. Testifies in support of SB 279. submits written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight. uregistaive Coordinator, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight. Support of SB 279. Submits written testimony (EXHIBIT E).TAPE 49, A 005Novick025Sen. Burdick030Novick045Sen. Burdick045Sen. Burdick <td>075</td> <td>Sen. Atkinson</td> <td></td>	075	Sen. Atkinson	
Clarno NAY:1 – Beyer The motion CARRIES. SEN. DEVLIN will lead discussion on the floor.085Chair BrownCloses work session on SB 678. Opens public hearing on SB 279.085Chair BrownCloses work session on SB 678. Opens public hearing on SB 279.090Jim StembridgePresents overview of SB 279, which limits compensation of video lottery game retailers to 15 percent of net receipts.095Rep. Diane RosenbaumHouse District 42. Appears and testifies in support of SB 279.185Sen. CorcoranSenate District 4. As sponsor of bill, comments that retailer profits are too high. Advises the across-the-board 15 percent figure is negotiable. Reminds members there is revenue of \$140 million per year which should be made available to medically needy, corrections and educational programs.235Joseph CortrightConsulting economist. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight.380Steve NovickContinues, discusses studies analyzing profits from video poker machines. Suggests SB 279 maximizes revenue to the state while allowing reasonable rate of return for retailers.025Sen. BurdickAsks if there is any justification for putting current contracts aside.030NovickRecommends Attorney General (AG) opinion.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightResponds the evide			
NAY:1 – BeyerThe motion CARRIES. SEN. DEVLIN will lead discussion on the floor.085Chair Brown085Chair Brown090Jim Stembridge090Jim Stembridge095Rep. DianeRosenbaumSubmits written testimony (EXHIBIT C).185Sen. Corcoran235Joseph Cortright235Joseph Cortright380Steve Novick235Steve Novick255Sen. Burdick255Sen. Burdick255Sen. Burdick255Sen. Burdick255Cortright255Cortright255Cortright255Cortright255Cortright255Cortright255Cortright255Cortright255Cortright255Cortright255Cortright255Cortright255Cortright255Cortright255Sen. Burdick255Cortright255Cortright255Cortright255Cortright255Cortright255Cortright255Cortright255Cortright255Cortright255Cortright255Cortright255Cortright255Cortright255Cortright255Cortright255Cortright255Cortrig			
Chair BrownThe motion CARRIES. SEN. DEVLIN will lead discussion on the floor.085Chair BrownCloses work session on SB 678. Opens public hearing on SB 279.SB 279 – PUBLIC HEARINGPresents overview of SB 279, which limits compensation of video lottery game retailers to 15 percent of net receipts.090Jim StembridgePresents overview of SB 279, which limits compensation of video lottery game retailers to 15 percent of net receipts.095Rep. Diane RosenbaumHouse District 42. Appears and testifies in support of SB 279.185Sen. CorcoranSenate District 4. As sponsor of bill, comments that retailer profits are too high. Advises the across-the-board 15 percent figure is negotiable. Reminds members there is revenue of \$140 million per year which should be made available to medically needy, corrections and educational programs.235Joseph CortrightConsulting economist. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight.236Steve NovickLegislative Coordinator, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT E).TAPE 49, AContinues, discusses studies analyzing profits from video poker machines. Suggests SB 279 maximizes revenue to the state while allowing reasonable rate of return for retailers.025Sen. BurdickAsks if there is any justification for putting current contracts aside.030NovickRecommends Attorney General (AG) opinion.041CortrightAcsks whether lowering commissions will result in less demand for the machines. <td></td> <td></td> <td></td>			
SEN. DEVLIN will lead discussion on the floor.085Chair BrownCloses work session on SB 678. Opens public hearing on SB 279.SB 279 – PUBLIC HEARINGPresents overview of SB 279, which limits compensation of video lottery game retailers to 15 percent of net receipts.090Jim StembridgePresents overview of SB 279, which limits compensation of video lottery game retailers to 15 percent of net receipts.095Rep. DianeHouse District 42. Appears and testifies in support of SB 279.185Sen. CorcoranSenate District 4. As sponsor of bill, comments that retailer profits are too high. Advises the across-the-board 15 percent figure is negotiable. Reminds members there is revenue of \$140 million per year which should be made available to medically needy, corrections and educational programs.235Joseph CortrightConsulting economist. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight.380Steve NovickLegislative Coordinator, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT E).TAPE 49, AContinues, discusses studies analyzing profits from video poker machines. Suggests SB 279 maximizes revenue to the state while allowing reasonable rate of return for retailers.025Sen. BurdickRecommends Attorney General (AG) opinion.040CortrightRecalls the Lottery Commission was to continue to review and adjust the rates, but has not done so.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050Nov		Chair Brown	J.
085 Chair Brown Closes work session on SB 678. Opens public hearing on SB 279. 090 Jim Stembridge Presents overview of SB 279, which limits compensation of video lottery game retailers to 15 percent of net receipts. 095 Rep. Diane House District 42. Appears and testifies in support of SB 279. 185 Sen. Corcoran Senate District 4. As sponsor of bill, comments that retailer profits are too high. Advises the across-the-board 15 percent figure is negotiable. Reminds members there is revenue of \$140 million per year which should be made available to medically needy, corrections and educational programs. 235 Joseph Cortright Consulting economist. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight. 236 Steve Novick Continues, discusses studies analyzing profits from video poker machines. Suggests SB 279. Submits written testimony (EXHIBIT E). TAPE 49, A Continues, discusses studies analyzing profits from video poker machines. Suggests SB 279 maximizes revenue to the state while allowing reasonable rate of return for retailers. 025 Sen. Burdick Asks if there is any justification for putting current contracts aside. 030 Novick Recommends Attorney General (AG) opinion. 045 Sen. Burdick Asks whether lowering commissions will result in less demand for the machines. 050 <td></td> <td></td> <td></td>			
279. SB 279 – PUBLIC HEARING 090 Jim Stembridge 095 Rep. Diane Rosenbaum Submits written testimony (EXHIBIT C). 185 Sen. Corcoran 185 Sen. Corcoran 235 Joseph Cortright 235 Joseph Cortright 236 Steve Novick 2379. Consulting economist. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). 236 Joseph Cortright 237 Joseph Cortright 2380 Steve Novick 2301 Steve Novick 2302 Steve Novick 249. Continues, discusses studies analyzing profits from video poker machines. Suggests SB 279. Submits written testimony (EXHIBIT E). TAPE 49, A Continues, discusses studies analyzing profits from video poker machines. Suggests SB 279. Submits written testimony (EXHIBIT E). 245 Sen. Burdick Recommends Attorney General (AG) opinion. 245 Sen. Burdick Recalls the Lottery Commission was to continue to review and adjust the rates, but has not done so. 245 Sen. Burdick Asks whether lowering commissions will result in less demand for the machines. 255 Se	0.95	Chair Brown	
SB 279 – PUBLIC HEARING Presents overview of SB 279, which limits compensation of video lottery game retailers to 15 percent of net receipts. 095 Rep. Diane House District 42. Appears and testifies in support of SB 279. 185 Sen. Corcoran Senate District 42. As sponsor of bill, comments that retailer profits are too high. Advises the across-the-board 15 percent figure is negotiable. Reminds members there is revenue of \$140 million per year which should be made available to medically needy, corrections and educational programs. 235 Joseph Cortright Consulting economist. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight. 280 Steve Novick Legislative Coordinator, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT E). 74PE 49, A Oots Novick Continues, discusses studies analyzing profits from video poker machines. Suggests SB 279 maximizes revenue to the state while allowing reasonable rate of return for retailers. 025 Sen. Burdick Asks if there is any justification for putting current contracts aside. 030 Novick Recalls the Lottery Commission was to continue to review and adjust the rates, but has not done so. 045 Sen. Burdick Asks whether lowering commissions will result in less demand for the machines. 050 Novick Responds the evidence show	085	Chan Biown	
090Jim StembridgePresents overview of SB 279, which limits compensation of video lottery game retailers to 15 percent of net receipts.095Rep. DianeHouse District 42. Appears and testifies in support of SB 279. Rosenbaum185Sen. CorcoranSenate District 4. As sponsor of bill, comments that retailer profits are too high. Advises the across-the-board 15 percent figure is negotiable. Reminds members there is revenue of \$140 million per year which should be made available to medically needy, corrections and educational programs.235Joseph CortrightConsulting economist. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight.236Steve NovickLegislative Coordinator, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT E).7APE 49, A005NovickContinues, discusses studies analyzing profits from video poker machines. Suggests SB 279 maximizes revenue to the state while allowing reasonable rate of return for retailers.025Sen. BurdickAsks if there is any justification for putting current contracts aside.030NovickRecommends Attorney General (AG) opinion.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third th	SR 279 _ PI	UBLIC HEARING	219.
O95Rep. Diane RosenbaumIottery game retailers to 15 percent of net receipts.O95Rep. Diane RosenbaumSubmits written testimony (EXHIBIT C).185Sen. CorcoranSenate District 4. As sponsor of bill, comments that retailer profits are too high. Advises the across-the-board 15 percent figure is negotiable. Reminds members there is revenue of \$140 million per year which should be made available to medically needy, corrections and educational programs.235Joseph CortrightConsulting economist. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight.380Steve NovickLegislative Coordinator, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT E).TAPE 49, A 005NovickContinues, discusses studies analyzing profits from video poker machines. Suggests SB 279 maximizes revenue to the state while allowing reasonable rate of return for retailers.025Sen. BurdickAsks if there is any justification for putting current contracts aside.030NovickRecommends Attorney General (AG) opinion.044CortrightRecalls the Lottery Commission was to continue to review and adjust the rates, but has not done so.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit	090		Presents overview of SB 279, which limits compensation of video
O95Rep. Diane RosenbaumHouse District 42. Appears and testifies in support of SB 279. Submits written testimony (EXHIBIT C).185Sen. CorcoranSenate District 4. As sponsor of bill, comments that retailer profits are too high. Advises the across-the-board 15 percent figure is negotiable. Reminds members there is revenue of \$140 million per year which should be made available to medically needy, corrections and educational programs.235Joseph CortrightConsulting economist. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight. Legislative Coordinator, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT E).TAPE 49, A 005Continues, discusses studies analyzing profits from video poker machines. Suggests SB 279 maximizes revenue to the state while allowing reasonable rate of return for retailers.025Sen. BurdickAsks if there is any justification for putting current contracts aside.030NovickRecommends Attorney General (AG) opinion.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit	• • •		
RosenbaumSubmits written testimony (EXHIBIT C).185Sen. CorcoranSenate District 4. As sponsor of bill, comments that retailer profits are too high. Advises the across-the-board 15 percent figure is negotiable. Reminds members there is revenue of \$140 million per year which should be made available to medically needy, corrections and educational programs.235Joseph CortrightConsulting economist. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight. Legislative Coordinator, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT E).TAPE 49, AContinues, discusses studies analyzing profits from video poker machines. Suggests SB 279 maximizes revenue to the state while allowing reasonable rate of return for retailers.025Sen. BurdickAsks if there is any justification for putting current contracts aside.030NovickRecommends Attorney General (AG) opinion.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit	095	Rep. Diane	
185Sen. CorcoranSenate District 4. As sponsor of bill, comments that retailer profits are too high. Advises the across-the-board 15 percent figure is negotiable. Reminds members there is revenue of \$140 million per year which should be made available to medically needy, corrections and educational programs.235Joseph CortrightConsulting economist. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight.380Steve NovickLegislative Coordinator, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT E). TAPE 49, A Continues, discusses studies analyzing profits from video poker machines. Suggests SB 279 maximizes revenue to the state while allowing reasonable rate of return for retailers.025Sen. BurdickAsks if there is any justification for putting current contracts aside.030NovickRecommends Attorney General (AG) opinion.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit			
profits are too high. Advises the across-the-board 15 percent figure is negotiable. Reminds members there is revenue of \$140 million per year which should be made available to medically needy, corrections and educational programs.235Joseph CortrightConsulting economist. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight. Legislative Coordinator, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT E).380Steve NovickLegislative Coordinator, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT E).TAPE 49, AO05NovickContinues, discusses studies analyzing profits from video poker machines. Suggests SB 279 maximizes revenue to the state while allowing reasonable rate of return for retailers.025Sen. BurdickAsks if there is any justification for putting current contracts aside.030NovickRecommends Attorney General (AG) opinion.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit	185		• • •
figure is negotiable. Reminds members there is revenue of \$140 million per year which should be made available to medically needy, corrections and educational programs.235Joseph CortrightConsulting economist. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight.380Steve NovickLegislative Coordinator, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT E).TAPE 49, AContinues, discusses studies analyzing profits from video poker machines. Suggests SB 279 maximizes revenue to the state while allowing reasonable rate of return for retailers.025Sen. BurdickAsks if there is any justification for putting current contracts aside.030NovickRecommends Attorney General (AG) opinion.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit	105	Sen. Corcorun	
 million per year which should be made available to medically needy, corrections and educational programs. Joseph Cortright Consulting economist. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight. Steve Novick Legislative Coordinator, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT E). TAPE 49, A Novick Continues, discusses studies analyzing profits from video poker machines. Suggests SB 279 maximizes revenue to the state while allowing reasonable rate of return for retailers. Sen. Burdick Asks if there is any justification for putting current contracts aside. Novick Recommends Attorney General (AG) opinion. Cortright Recalls the Lottery Commission was to continue to review and adjust the rates, but has not done so. Sen. Burdick Asks whether lowering commissions will result in less demand for the machines. Novick Responds the evidence shows the profits would still be high enough to make it profitable. Cortright 			· · · · ·
235Joseph Cortrightneedy, corrections and educational programs. Consulting economist. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight. Legislative Coordinator, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT E).TAPE 49, AContinues, discusses studies analyzing profits from video poker machines. Suggests SB 279 maximizes revenue to the state while allowing reasonable rate of return for retailers.025Sen. BurdickAsks if there is any justification for putting current contracts aside.030NovickRecommends Attorney General (AG) opinion.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit			÷ ÷
235Joseph CortrightConsulting economist. Testifies in support of SB 279. Submits written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight. Legislative Coordinator, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT E).TAPE 49, AContinues, discusses studies analyzing profits from video poker machines. Suggests SB 279 maximizes revenue to the state while allowing reasonable rate of return for retailers.025Sen. BurdickAsks if there is any justification for putting current contracts aside.030NovickRecommends Attorney General (AG) opinion.040CortrightRecalls the Lottery Commission was to continue to review and adjust the rates, but has not done so.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit			· ·
 written testimony (EXHIBIT D). Discusses background of video lottery programs and work of Task Force On Lottery Oversight. Steve Novick Legislative Coordinator, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT E). TAPE 49, A Novick Continues, discusses studies analyzing profits from video poker machines. Suggests SB 279 maximizes revenue to the state while allowing reasonable rate of return for retailers. Sen. Burdick Asks if there is any justification for putting current contracts aside. Novick Recommends Attorney General (AG) opinion. Cortright Recalls the Lottery Commission was to continue to review and adjust the rates, but has not done so. Sen. Burdick Asks whether lowering commissions will result in less demand for the machines. Novick Responds the evidence shows the profits would still be high enough to make it profitable. Cortright Explains Keno retailers are compensated at one-third the profit 	225	Joseph Cortright	
380Steve Novicklottery programs and work of Task Force On Lottery Oversight. Legislative Coordinator, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT E).TAPE 49, AContinues, discusses studies analyzing profits from video poker machines. Suggests SB 279 maximizes revenue to the state while allowing reasonable rate of return for retailers.025Sen. BurdickAsks if there is any justification for putting current contracts aside.030NovickRecommends Attorney General (AG) opinion.040CortrightRecalls the Lottery Commission was to continue to review and adjust the rates, but has not done so.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit	235	Joseph Colungin	
380Steve NovickLegislative Coordinator, Department of Education. Testifies in support of SB 279. Submits written testimony (EXHIBIT E).TAPE 49, AContinues, discusses studies analyzing profits from video poker machines. Suggests SB 279 maximizes revenue to the state while allowing reasonable rate of return for retailers.025Sen. BurdickAsks if there is any justification for putting current contracts aside.030NovickRecommends Attorney General (AG) opinion.040CortrightRecalls the Lottery Commission was to continue to review and adjust the rates, but has not done so.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit			•
TAPE 49, A005NovickContinues, discusses studies analyzing profits from video poker machines. Suggests SB 279 maximizes revenue to the state while allowing reasonable rate of return for retailers.025Sen. BurdickAsks if there is any justification for putting current contracts aside.030NovickRecommends Attorney General (AG) opinion.040CortrightRecalls the Lottery Commission was to continue to review and adjust the rates, but has not done so.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit	200		
TAPE 49, A005NovickContinues, discusses studies analyzing profits from video poker machines. Suggests SB 279 maximizes revenue to the state while allowing reasonable rate of return for retailers.025Sen. BurdickAsks if there is any justification for putting current contracts aside.030NovickRecommends Attorney General (AG) opinion.040CortrightRecalls the Lottery Commission was to continue to review and adjust the rates, but has not done so.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit	380	Steve Novick	
005NovickContinues, discusses studies analyzing profits from video poker machines. Suggests SB 279 maximizes revenue to the state while allowing reasonable rate of return for retailers.025Sen. BurdickAsks if there is any justification for putting current contracts aside.030NovickRecommends Attorney General (AG) opinion.040CortrightRecalls the Lottery Commission was to continue to review and adjust the rates, but has not done so.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit			support of SB 2/9. Submits written testimony (EXHIBIT E).
Mathematical SuggestsSuggestsSB 279 maximizesrevenue to the state while allowing reasonable rate of return for retailers.025Sen. BurdickAsks if there is any justification for putting current contracts aside.030NovickRecommends Attorney General (AG) opinion.040CortrightRecalls the Lottery Commission was to continue to review and adjust the rates, but has not done so.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit			
025Sen. Burdickallowing reasonable rate of return for retailers.030NovickAsks if there is any justification for putting current contracts aside.030NovickRecommends Attorney General (AG) opinion.040CortrightRecalls the Lottery Commission was to continue to review and adjust the rates, but has not done so.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit	005	Novick	
025Sen. BurdickAsks if there is any justification for putting current contracts aside.030NovickRecommends Attorney General (AG) opinion.040CortrightRecalls the Lottery Commission was to continue to review and adjust the rates, but has not done so.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit			
030Novickaside.030NovickRecommends Attorney General (AG) opinion.040CortrightRecalls the Lottery Commission was to continue to review and adjust the rates, but has not done so.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit			
030NovickRecommends Attorney General (AG) opinion.040CortrightRecalls the Lottery Commission was to continue to review and adjust the rates, but has not done so.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit	025	Sen. Burdick	Asks if there is any justification for putting current contracts
040CortrightRecalls the Lottery Commission was to continue to review and adjust the rates, but has not done so.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit			
045Sen. Burdickadjust the rates, but has not done so.045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit	030		· · · · ·
045Sen. BurdickAsks whether lowering commissions will result in less demand for the machines.050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit	040	Cortright	
050Novickfor the machines.055CortrightResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit			
050NovickResponds the evidence shows the profits would still be high enough to make it profitable.055CortrightExplains Keno retailers are compensated at one-third the profit	045	Sen. Burdick	Asks whether lowering commissions will result in less demand
enough to make it profitable. 055 Cortright Explains Keno retailers are compensated at one-third the profit			for the machines.
055 Cortright Explains Keno retailers are compensated at one-third the profit	050	Novick	Responds the evidence shows the profits would still be high
055 Cortright Explains Keno retailers are compensated at one-third the profit			enough to make it profitable.
	055	Cortright	
		-	and games are still thriving. Video lottery retailers with low
volume are still making money and would continue to do so at			

		lower profit levels.
070	Sen. Beyer	Asks how he knows the low-volume retailers are making a profit.
080	Cortright	Answers if \$5000 volume were too low, the games would be
	8	turned back in, but they are still in demand, so profits must be
		high enough.
085	Sen. Beyer	Suggests profits also come from other retail activities at
	2	establishments with video poker.
095	Cortright	Acknowledges lottery games do attract customers. Points out the
	C	studies only consider the profits from the games themselves, so
		the other benefits are above that.
110	Chair Brown	Comments cutting all commissions the same amount does not
		seem fair and asks for another approach.
115	Novick	Suggests structuring the profits by volume. Reiterates the
		retailers keep the games so they must be making a profit.
120	Sen. Atkinson	Inquires whether some retailers would be unreasonably penalized
		under a tiered structure.
125	Novick	Acknowledges, but recommends exploring what is fair in the
		context of maximizing revenue to the state.
140	Sen. Atkinson	Asks about cost to begin using the machine.
145	Cortright	Describes application fee and fee for telecommunication services,
		but no cost for the machine itself.
160	Bill Perry	Director of Government Relations, Oregon Restaurant
		Association. Testifies in opposition to SB 279. Submits written
		testimony (EXHIBIT F). Discusses requirement for a reasonable
		rate of return.
220	Chair Brown	Clarifies lottery sales in restaurant and tavern businesses
		subsidize other business activities in the industry.
225	Perry	Confirms the sales money all goes toward the total income to
		support the entire business.
240	Sen. Burdick	Asks what a reasonable rate of return is.
245	Perry	Asserts it depends completely on the individual business.
255	Sen. Burdick	Points out the statutory requirement is to maximize revenue and
		provide a reasonable rate of return but there is no specific
• • •	-	information to define a reasonable rate of return.
270	Perry	Responds the market dictates and Oregon is the lowest in the
200		country.
280	Sen. Atkinson	Asks what would happen to the lowest volume businesses if the
	5	payout is changed to 15 percent.
285	Perry	Predicts businesses would make cuts to make up the revenue.
		Asks if opinion of the legislature would change if the profit was
205		half as much.
305	Connie Hunt	Restaurant Owner, Portland. Testifies in opposition to SB 279.
		Submits written testimony (EXHIBIT G). Describes disposition
		of lottery profits, such as, investing in the business and
		community.
тарг 40 р		
TAPE 48, B	Michael Mille	Attomas, Tastifica in annasition to SP 270. Submits witten
005	Michael Mills	Attorney. Testifies in opposition to SB 279. Submits written
		testimony (EXHIBIT H). Discusses legislative history of lottery
		statutes. Describes efforts to provide input to the Lottery Commission regarding reasonable rate of return for lottery games.
060	Chair Brown	Asks about creating a public bidding process for lottery games.
070	Mills	Suggests the statutory mandate would not support a public
		Suppose the statutory manage would not support a public

		1.11
090	Sen. Burdick	bidding process. Refers back to the requirement for reasonable rate of return.
090	Sell. Duruick	Suggests formula for percentage of sales to determine the rate.
110	Mills	Responds the Lottery Commission was charged to create the
-	-	determination of reasonable rate of return.
120	Perry	Explains that 35 percent has been determined a reasonable rate
		and higher performers are only receiving 20 percent.
130	Sen. Burdick	Comments 35 percent is a very high rate of return for a business.
140	Mills	Responds the 35 percent is out of gross and costs come out of
		that. Asserts that video poker players do not spend much on food
155	Dorm	and beverages.
155	Perry	Clarifies that of the money put into the machine, including payouts, the lottery and the retailers split 3.2 percent; the 35
		percent is of the total profit.
170	Jacqueline Zimmer	Director, Oregon Association of Area Agencies on Aging and
		Disabilities. Testifies in support of SB 279. Asks simply that the
		deck be evenly stacked. Points out that the Department of
		Human Services (DHS) has been asked to give up 10, 20 and 30
		percent of program costs and other programs have not taken
220	NG ¹ 17 11	similar reductions.
230	Marcia Kelley	Women's Rights Coalition. Testifies in support of SB 279.
		Submits written testimony (EXHIBIT I) . Urges more adequate funding for schools. Recommends a more reasonable rate of
		commission.
310	Martin Taylor	Human Services Coalition of Oregon (HSCO); Oregon Nurses
		Association; Community Providers Association of Oregon;
		Oregon Law Center. Points out it is a new situation to
		recommend taking money from one state program and putting it
		into another but that is what is happening. Stresses the medically
		needy need the money more than retailers, though it is a tough
		choice. Points out that 100 percent of lottery revenue is the state's money and it is no different cutting this supply of money
		than cutting human services funding.
TAPE 49, B		than outling human set vices functing.
005	Ginny Van Loo	Oregon City Elks Lodge. Testifies in opposition to SB 279.
	5	Submits written testimony and material (EXHIBIT J). Discusses
		community services provided by Elks, a charitable non-profit
		organization. Explains Lottery Commission removed her Keno
	D	machines because profits were too low.
075	Brown	Asks about minimum Keno requirements.
080 090	Van Loo Sen. Burdick	Explains minimum sales required for Keno. Expresses approval of investing in community by retailers.
090	Sell. Duruick	Comments it is a difficult time for everyone and everyone must
		take reductions.
110	Grover Simmons	Oregon State Elks Association. Testifies in opposition to SB
		249. Submits written materials describing the Elks organization
		(EXHIBIT K). Provides figures for committee consideration:
		• 58 lodges in Oregon; 45 with video poker machines
		• Total sales for 45 lodges for one year were \$3,672,667
		• Total commissions for 45 lodges were \$1,271,655
		• Average commissions were \$28,259. Only three lodges earn
		\$75,000 or more

Disputes Oregonian newspapers articles which said the average is \$75,000, with 32 percent average commissions.

Discusses reduction in commissions to 15 percent as a 53 percent reduction:

- Average income would be reduced to \$13,248 per year (\$255 per week)
- Not a reasonable rate of return

Refers to contributions made by Elks:

- \$1,725,531 in cash to charitable programs
- Non-cash of \$729,000 (fire trucks, medical equipment)
- Contributions have outweighed the commission income by \$453,876
- Closes the public hearing on SB 279 and adjourns committee at 4:45 p.m.

200

Chair Brown

EXHIBIT SUMMARY

- A SB 706, -1 amendment (4-7-03), staff, 1 p
- B SB 706 and SB 678, written testimony, Kappy Eaton, 1 p
- C SB 279, written testimony, Rep. Diane Rosenbaum, 1 p
- D SB 279, written testimony, Joseph Cortright, 4 pp
- E SB 279, written testimony, Steve Novick, 4 pp
- F SB 279, written testimony, Bill Perry, 5 pp
- G SB 279, written testimony, Connie Hunt, 2 pp
- H SB 279, written testimony, Michael Mills, 3 pp
- I SB 279, written testimony, Marcia Kelley, 2 pp
- J SB 279, written testimony, Ginny Van Loo, 13 pp
- K SB 279, written materials, Grover Simmons, 30 pp