Relating to Oregon State Lottery funding of sports programs at institutions of higher education; amending ORS 461.535 and 461.543; repealing ORS 461.213; and prescribing an effective date.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 461.535 is amended to read:

461.535. The Intercollegiate Athletic Fund is created separate and distinct from the General Fund. The fund shall consist of revenues credited to the Sports Lottery Account under ORS 461.213 (4) [and (5)] and any other revenues available to the fund.

SECTION 2. ORS 461.543 is amended to read:

461.543. (1) Except as otherwise specified in subsection (5) of this section, the Sports Lottery Account is continuously appropriated to and shall be used by the State Board of Higher Education to fund sports programs at state institutions of higher education. Seventy percent of the revenues in the fund shall be used to fund nonrevenue producing sports and 30 percent shall be used for revenue producing sports. Of the total amount available in the fund, at least 50 percent shall be made available for women’s athletics.

(2) The State Board of Higher Education shall allocate moneys in the Sports Lottery Account among the institutions of higher education under its jurisdiction giving due consideration to:

(a) The athletic conference to which the institution belongs and the relative costs of competing in that conference.

(b) The level of effort being made by the institution to generate funds and support from private sources.

(3) As used in subsections (1) to (3) of this section, “revenue producing sport” is a sport that produces net revenue over expenditures during a calendar year or if its season extends into two calendar years, produces net revenue over expenditures during the season.

(4) An amount equal to [the net proceeds of games provided for in ORS 461.213 (1)] one percent of the moneys transferred to the Administrative Services Economic Development Fund from the State Lottery Fund shall be allocated from the Administrative Services Economic Development Fund to the Sports Lottery Account.

(5) The amounts received by the Sports Lottery Account shall be allocated as follows:

(a) Eighty-eight percent for the purposes specified in subsections (1) to (3) of this section, but not to exceed $8 million annually, adjusted annually pursuant to the Consumer Price Index, as defined in ORS 327.006.
(b) Twelve percent for the purpose of scholarships, to be distributed equally between scholarships based on academic merit and scholarships based on need, as determined by rule of the State Board of Higher Education, but not to exceed $1,090,909 annually.

(c) All additional money to the Oregon Student Assistance Commission for the Oregon Opportunity Grant program under ORS 348.260.

SECTION 3. ORS 461.213 is repealed.

SECTION 4. This 2005 Act takes effect on July 1, 2007.