Oregon



Regulatory Oversight

COMMERCIAL GAMING

Governing Body: There are nine compacted gaming tribes in Oregon: Burns Paiute Tribe, Cow Creek Band of Umpqua Tribe of Indians, Klamath Tribes, Modocs & Yahooskin, Coos, Lower Umpqua & Siuslaw Indians, Confederated Tribes of Siletz, Coquille Indian Tribe, Confederated Tribes of the Umatilla Indian Reservation, Confederated Tribes of Warm Springs, and the Confederated Tribes of Grande Ronde Community. The compacts between the state and each tribe are substantially similar.

Tribal casinos in Oregon are regulated by the tribe and the state. The Tribe is required to set up multiple departments to oversee tribal gaming operations.

To become licensed in Class III gaming activities, the tribe must submit for approval to the tribal gaming commission. The commission then provides the rules to the Oregon State Police who are in charge of governing the conduct of the activities in the tribal casino.

There are limits on the number of gaming machines at tribal casinos in Oregon. However, once a tribe has reached its limit on gaming machines, the compact specifies it can be renegotiated to allow for more machines.

The compacts are effective in perpetuity. However, both the state and tribes can request to renegotiate the compacts at any time.



Licensing

TRIBAL GAMING

Operator: Although Oregon gaming tribes are authorized to grant and issue licenses in accordance with tribal gaming compact provisions, the Oregon State Police's Gaming Division must first conduct background investigations to determine whether an individual or prospective vendor may conduct business with any of Oregon's gaming tribes

Taxation & Tribal Revenue Sharing

TRIBAL GAMING

Revenue Share: The compacts require the tribes to "pay the reasonable cost of necessary street, road or highway improvements determined to be necessary on the basis of a traffic impact study and Oregon Department of Transportation requirements." The tribes are not responsible for improvements unless the improvements are necessary to correct traffic impacts attributable to the gaming facility.

Oregon



The tribal-state gaming compacts also require the creation and maintenance of a community benefit fund. The calculation of the fund contribution varies slightly according to each compact. However, each tribe pays approximately six percent of the previous year's net income. Contributions to the community fund must be made annually.

Grants from the community benefit fund may be made to charitable organizations within certain counties specified in the compact, or to "local government bodies within the county or counties within whose boundaries the tribes' reservation is located."

State Use of Revenue: The state uses revenue from tribal gaming for street, road or highway improvements and for grants to charitable organizations or local government bodies within certain counties.

Tribal Use of Revenue: As required under IGRA, tribes must use tribal gaming funds:

- 1. To fund tribal government operations or programs;
- 2. To provide for the general welfare of the tribe and its members;
- 3. To promote tribal economic development;
- 4. To donate to charitable organizations; or
- 5. To help fund operations of local government agencies.

Promotional Credits' Effect on Revenue Sharing: Promotional credits do not affect revenue sharing in the state.

Withholding on Winnings: The tribes must report to the Oregon Department of Revenue gambling winnings paid to any person subject to Oregon personal income tax on those winnings whenever the tribes would be required to report those winnings to the IRS. In addition, federal law may require tribal casinos to issue a W-2G form to persons and may withhold winnings if certain conditions are met. For more information click <u>here</u>.



Responsible Gaming

TRIBAL GAMING

Statutory Funding Requirement: There are no statutory funding requirements in the tribal-state gaming compacts or tribal gaming ordinances.

Self-exclusion: Tribal casinos in Oregon do not offer self-exclusion programs.

Complimentary Alcoholic Drinks: Complimentary alcoholic drinks are not available at tribal casinos in Oregon.

Advertising Restrictions: There are no advertising restrictions in the tribal-state gaming compacts or tribal gaming ordinances.

On-Premise Display Requirement: There are no on-premise display requirements in the tribal-state gaming compacts or tribal gaming ordinances.





Prevention of Underage Gambling: Persons under 21 years of age are not allowed to participate in any gaming activity.

Operation on Holidays: Tribal casinos in the state may operate 24 hours a day, seven days a week, including on holidays.



Other Regulations

TRIBAL GAMING

Testing Requirements: Prior to placing any gaming device into service, the tribal gaming commission "shall inspect and, if appropriate, cause a test of the device for compliance with standards set by the tribal gaming commission."

AML requirements: Under federal U.S. law, commercial casino operators, tribal gaming operators and card clubs are required to comply with various statutes in order to prevent money laundering activities and other financial crimes, including terrorism.

Shipping Requirements: Under federal U.S. law, all gambling devices and all packages containing gambling devices, when shipped or transported, must be plainly and clearly labeled and marked so that the name and address of the shipper and the consignee and the contents of the package may be readily ascertained on an inspection of the package.

Restrictions on Political Contributions: There are no compact restrictions on political contributions from parties with gaming interests. Under federal law, tribes are considered "persons" and are subject to regulation by the Federal Election Commission when making federal contributions.

Credit: All Class III gaming authorized by the compacts must be conducted on a cash basis. Under the compacts, cashing checks in the Class III gaming area constitutes extending credit and is therefore not permitted.

Smoking Bans: Oregon tribal regulations do not prohibit smoking in gaming facilities.

Cashless Gaming & Alternative Payments: Oregon tribal regulations do not prohibit specific payment types. Additionally, Oregon does not accept cryptocurrency as a form of payment.



Authorized Operators: Class III tribal casinos in the state are authorized to offer sports betting. In addition, the Oregon Lottery may offer sports betting through kiosks, retailers & online.

Mobile/Online: Mobile/online wagering is permitted through the Oregon Lottery who has an agreement with Draftkings to operate an online sportsbook.

Taxes and Fees: N/A. Tribal casinos in the state are not subject to taxation or licensing fees. As a state- entity, the Oregon Lottery is not subject to taxation.

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DraftKings currently has an "Online Sportsbook Fee" of 100 percent of the vendor online gross gaming revenue, less 51 percent of online sportsbook net gaming revenue each week, as the only authorized online sports-betting platform in the state.

Amateur Restrictions: The Oregon Lottery may not offer wagers on collegiate sporting events.

Tax on Promotional Credit: N/A. Tribal casinos in the state are not subject to taxation or licensing fees. As a state- entity, the Oregon Lottery is not subject to taxation.

Age Restrictions: An individual must be 21 years of age or older to participate in sports betting.