

OREGON

KEY STATE INFORMATION

NUMBER OF COMMERCIAL CASINOS

0

CASINO FORMAT

N/A

NOTABLE FORMS OF GAMING

Sports Betting

REGULATORY AUTHORITY

Oregon Lottery
Commission

GROSS SPORTS BETTING REVENUE 2024

\$80.1M

SPORT BETTING TAX REVENUE 2024

\$36.7M



In 2024, the Oregon Lottery reported \$80.1 million in total revenue from the online sports, an increase of 24.5 percent from the previous year.

Market Overview

Oregon has no commercial casino venues but offers sports betting through the Oregon Lottery and its contracted partner.

A limited form of sports betting was first launched by the Oregon Lottery in 1989, granting the state a partial exemption from the 1992 federal law that prohibited expanded sports wagering. Although sports betting ended in 2007, the Oregon Lottery revived the offering in 2019 and expanded it to include single-event wagering on all professional sports. The Oregon Lottery's own sportsbook product was discontinued in January 2022 after the lottery executed a contract with DraftKings to market and operate sports wagering on its behalf.

There is no specific state law that regulates sports betting in Oregon; instead, it is considered to fall under the broader definition of lottery games the state lottery is authorized to offer.

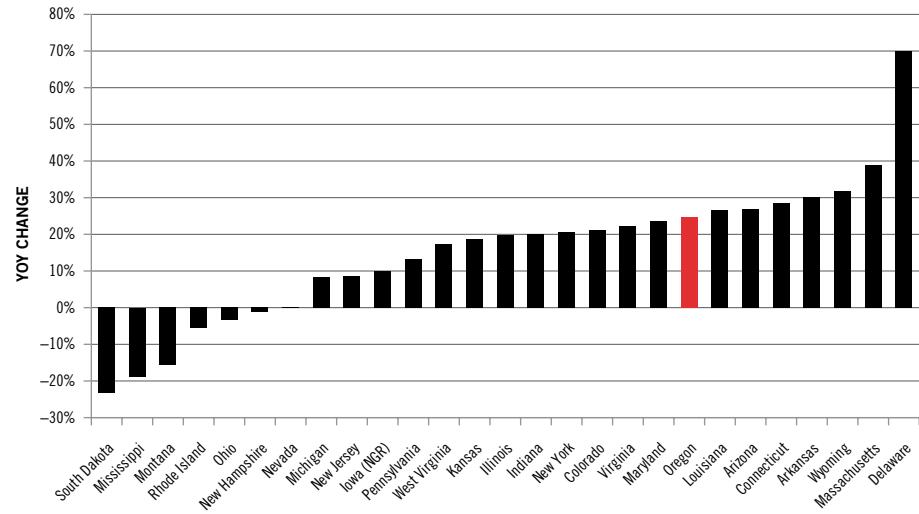
Market Performance

In 2024, total commercial sports betting revenue as reported by the Oregon Lottery was \$80.1 million, up 24.5 percent versus the previous year.

As the Oregon Lottery has yet to launch any form of retail sports wagering, all commercial gaming revenue generated in 2024 was derived from DraftKings' online sports betting platform.

Notably, due to state policy, the Oregon Lottery and DraftKings remain unable to offer wagers on any collegiate sports. Although New Jersey and several other states prohibit wagers on games involving in-state college teams, and

SELECTED STATES: YOY CHANGE IN SPORTS BETTING GGR 2024



SOURCE: State Gaming Regulatory Agencies

Oregon

various other states restrict wagering on individual college athletes, DraftKings' Oregon sportsbook is the only online sports betting platform unable to offer any bets on college sports.

Gaming Tax Distribution

Sports betting operated by the Oregon Lottery is not subject to taxation *per se*; instead, the lottery receives an undisclosed percentage of revenue earned by DraftKings following the deduction of certain authorized expenses, including marketing costs. As sports betting is operated via the state lottery, it is not subject to the 0.25 percent federal excise tax typically applied to commercial operators' wagering handle.

In 2024, sports betting generated estimated state tax revenue of approximately \$36.7 million, up 22.0 percent on the prior year.

In accordance with state law, the Oregon Lottery transfers its profits to specific programs as determined by the state legislature. Programs funded by Oregon Lottery profits include education and veterans' services, state parks, conservation projects and economic-growth initiatives.

Competitive Landscape

The Oregon Lottery faces competition for sports bettors from sportsbook operations at several tribal casinos within the state. Certain Oregon Indian tribes are permitted to operate sports betting in their tribal casinos because of language in their tribal-state gaming compacts which

permits the tribe to offer any form of casino gaming that has already been approved in Nevada. Sports betting is also available at tribal casinos in neighboring Washington.

In addition to sports betting and the state's 10 tribal casinos, Oregon's gaming market includes horse racing, as well as more than 11,165 electronic gaming devices (VLTs) operated by the Oregon Lottery at some 2,024 bars and other retail locations. In 2024, total statewide revenue from VLTs was \$1.18 billion, essentially flat compared to the previous year.

Policy & Regulatory Review

Tribal Gaming

In November, the U.S. Department of Interior's Bureau of Indian Affairs published a notice of its intent to approve the application of one Oregon Indian tribe to acquire land for a new tribal casino in the city of Medford.

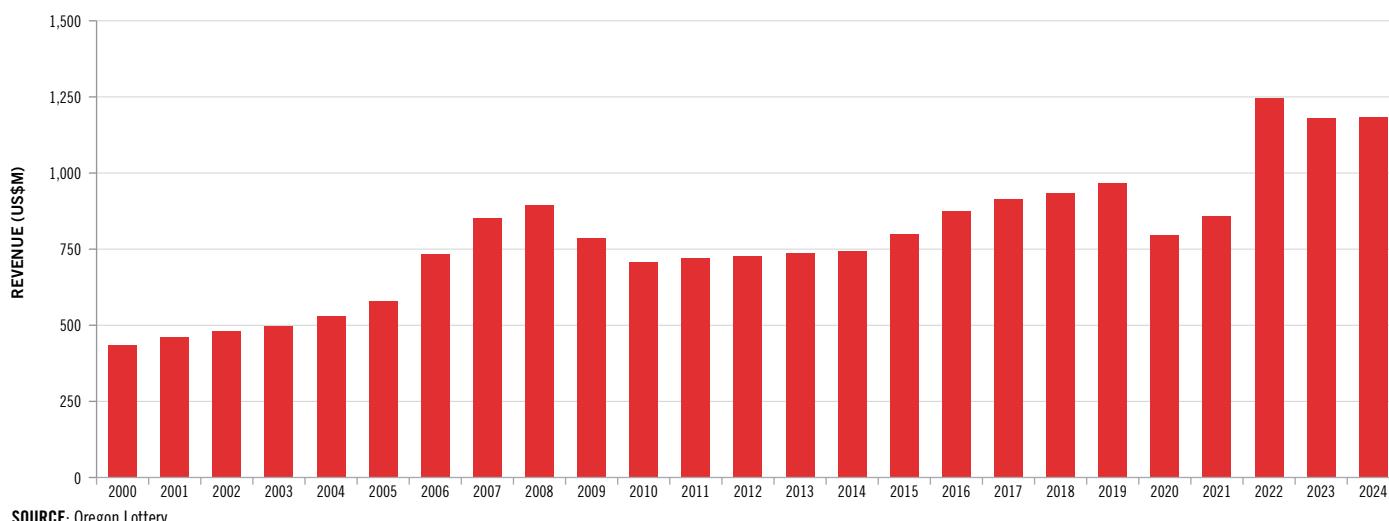
The Coquille Tribe sought for over a decade to establish a new casino featuring electronic bingo devices in Medford, some 24 miles from the California border and 150 miles away from the tribe's established reservation that includes its existing casino.

Several Oregon tribes as well as state and federal representatives have opposed the project, insisting it would disrupt Oregon's established tribal gaming market that allows for the state's 10 Indian tribes to each host one casino limited to their reservation lands. Opponents have also argued that the Coquille Tribe has misrepresented its ancestral ties to the new land parcel.

OREGON: ANNUAL VLT REVENUE (US\$M)

2000 to 2024

Oregon is the second largest market in the country for video gaming terminals or video lottery terminals operated in non-casino locations such as bars and taverns. VLTs in Oregon generated more than \$1 billion in revenue in 2024, more than any other state bar Illinois.



SOURCE: Oregon Lottery

Oregon

November's notice of a key environmental approval triggered a final 30-day public comment period prior to a potential final decision by the Interior Department to take land into federal trust for the Coquille Tribe casino project.

Regulatory Reform

In November, the Oregon Lottery published draft regulatory amendments to clarify requirements for retail locations to remain eligible to host electronic gaming devices (VLTs).

Under existing rules, VLT retailers must not operate as de facto casinos and should be able to demonstrate that they host electronic gaming devices as part of a wider business. Among other things, retailers are subject to inspection and potential license cancellation by lottery officials if they

derive more than 50 percent of their overall revenue from gaming.

The new rules proposed by the Oregon Lottery would establish more objective criteria to determine whether a VLT retailer may be violating a state constitutional ban on commercial casinos. These criteria would include having a minimum size dining area and menu offering in order to be considered either a limited-menu retailer or cafe, as well as ensuring that retailers advertise their other products more prominently than VLTs or other lottery games.

The draft rules remained subject to comment through December but may be considered for formal adoption in 2025.