

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

THE STATE SENATE
Monday, February 22, 2010

Committee Substitute for
Senate Bill No. 2088

COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 2088 - By: Coffee of the Senate and Bengé of the House.

[amusements and sports - Oklahoma Education Lottery Act -
modifying the name of the Oklahoma Lottery Commission -
effective date -
emergency]

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY Section 4, Chapter 58, O.S.L. 2003
(3A O.S. Supp. 2009, Section 703), is amended to read as follows:

Section 703. As used in the Oklahoma Education Lottery Act:

1. "Administrative expenses" means operating expenses,
excluding amounts set aside for prizes, regardless of whether such
prizes are claimed and excluding amounts deposited to the Fidelity
Revolving Fund pursuant to Section ~~20~~ 719 of this ~~act~~ title;

2. "Board" means the board of trustees of the Oklahoma
Education Lottery Commission;

3. "Capital outlay projects" means the acquisition,
construction, installation, modification, renovation, repair,
extension, renewal, replacement, or rehabilitation of land,
interests in land, buildings, structures, facilities, or other
improvements and the acquisition, installation, modification,

1 renovation, repair, extension, renewal, replacement, rehabilitation,
2 or furnishing of fixtures, machinery, equipment, computers,
3 software, laboratories, furniture, textbooks, and reference material
4 or other property of any nature whatsoever used on, in, or in
5 connection with educational facilities;

6 4. "Commission" means the Oklahoma Education Lottery
7 Commission. Any references in the statutes to the Oklahoma Lottery
8 Commission shall be deemed references to the Oklahoma Education
9 Lottery Commission;

10 5. "Educational facilities" means land, structures, and
11 buildings owned or operated by and through the Oklahoma State
12 Regents for Higher Education, the State Board of Education, the
13 Oklahoma Department of Career and Technology Education, or by any
14 school district within this state. A public road or highway leading
15 to an educational facility shall not be considered an educational
16 facility;

17 6. "Executive director" means the chief executive officer and
18 administrator of the Oklahoma Education Lottery Commission;

19 7. "Gross proceeds" means all revenue derived from the sale of
20 lottery tickets or shares and all other monies derived from the
21 lottery;

22 8. "Instant ticket" means a lottery ticket that requires the
23 player to remove a coating to determine if a prize has been won;

1 9. "Lottery", "lotteries", "lottery game", or "lottery games"
2 means an activity conducted by the Commission under the Oklahoma
3 Education Lottery Act through which prizes are awarded or
4 distributed by chance among persons who have paid for a chance or
5 other opportunity to receive a prize, including, but not limited to,
6 instant tickets and on-line games, but excluding charity bingo and
7 games conducted pursuant to the Oklahoma Charity Games Act, poker,
8 blackjack, slot machines, pulltab machines, card games, dice,
9 dominos, roulette wheels, or other similar forms of gambling, or
10 electronic or video forms of these gambling activities, or games
11 where winners are determined by the outcome of a sports contest, or
12 pari-mutuel betting conducted pursuant to the Oklahoma Horse Racing
13 Act;

14 10. "Major procurement contract" means any gaming product or
15 service costing in excess of Twenty-five Thousand Dollars
16 (\$25,000.00), including, but not limited to, major advertising
17 contracts, annuity contracts, prize payment agreements, consulting
18 services, equipment, tickets, and other products and services unique
19 to the Oklahoma lottery, but not including materials, supplies,
20 equipment, and services common to the ordinary operations of the
21 Commission;

22 11. "Member" or "members" means a trustee or trustees of the
23 board of trustees of the Oklahoma Education Lottery Commission;

1 12. "Member of a minority" means an individual who is a member
2 of a race which comprises less than fifty percent (50%) of the total
3 population of Oklahoma;

4 13. "Minority business" means any business which is owned by:

5 a. an individual who is a member of a minority who
6 reports as the personal income of the individual for
7 Oklahoma income tax purposes the income of the
8 business,

9 b. a partnership in which a majority of the ownership
10 interest is owned by one or more members of a minority
11 who report as their personal income for Oklahoma
12 income tax purposes more than fifty percent (50%) of
13 the income of the partnership, or

14 c. a corporation organized under the laws of this state
15 in which a majority of the common stock is owned by
16 one or more members of a minority who report as their
17 personal income for Oklahoma income tax purposes more
18 than fifty percent (50%) of the distributed earnings
19 of the corporation;

20 14. "Net proceeds" means all revenue derived from the sale of
21 lottery tickets or shares and all other monies derived from the
22 lottery less operating expenses;

1 15. "On-line games" means a game where tickets or shares are
2 purchased through a network of computer terminals located at retail
3 outlets, and such terminals are linked to a central computer that
4 records the purchases;

5 16. "Operating expenses" means all costs of doing business,
6 including but not limited to, prizes, commissions, and other
7 compensation paid to retailers, advertising and marketing costs,
8 personnel costs, capital costs, amounts held in or paid from the
9 Fidelity Revolving Fund pursuant to Section ~~20~~ 719 of this ~~act~~
10 title, debt service payments for the payment of the initial expenses
11 of start-up, administration, and operation of the Commission and the
12 lottery, and other operating costs;

13 17. "Pari-mutuel betting" means the pari-mutuel system of
14 wagering as defined in Section 200.1 of ~~Title 3A of the Oklahoma~~
15 ~~Statutes~~ this title. Such term shall not include a lottery game
16 which may be predicated on a horse-racing scheme that does not
17 involve actual track events or traditional lottery games which may
18 involve the distribution of winnings by pools;

19 18. "Person" means any individual, corporation, partnership,
20 unincorporated association, limited liability company, or other
21 legal entity;

22 19. "Retailer" means a person who sells lottery tickets or
23 shares on behalf of the Commission pursuant to a contract;

1 20. "Share" means any intangible evidence of participation in a
2 lottery game;

3 21. "Ticket" means any tangible evidence issued by the lottery
4 to provide participation in a lottery game; and

5 22. "Vendor" means a person who provides or proposes to provide
6 goods or services to the Commission pursuant to a major procurement
7 contract, but does not include an employee of the Commission, a
8 retailer, or a state agency or instrumentality thereof. Such term
9 does not include any corporation whose shares are publicly traded
10 and which is the parent company of the contracting party in a major
11 procurement contract.

12 SECTION 2. This act shall become effective July 1, 2010.

13 SECTION 3. It being immediately necessary for the preservation
14 of the public peace, health and safety, an emergency is hereby
15 declared to exist, by reason whereof this act shall take effect and
16 be in full force from and after its passage and approval.

17 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS, dated 2-17-10 - DO
18 PASS, As Amended and Coauthored.