

1 **SENATE FLOOR VERSION**

February 13, 2013

2 **AS AMENDED**

3 SENATE BILL NO. 955

By: Jolley of the Senate

4 and

5 Nelson of the House

6
7
8 **[amusements and sports - modifying powers of the**
9 **Oklahoma Lottery Commission - noncodification -**
10 **effective date -**

emergency]

11
12 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

13 SECTION 1. AMENDATORY 3A O.S. 2011, Section 709, is
14 amended to read as follows:

15 Section 709. A. The Oklahoma Lottery Commission shall have any
16 and all powers necessary or convenient to its usefulness in carrying
17 out and effectuating the purposes and provisions of the Oklahoma
18 Education Lottery Act which are not in conflict with the Oklahoma
19 Constitution and laws of this state including, but not limited to,
20 the following:

21 1. To sue and be sued in contract, equity, mandamus, and
22 similar actions in its own name and to complain and defend in all
23 courts;

24 2. To adopt and alter a seal;

1 3. To hold copyrights, trademarks, and service marks and
2 enforce its rights with respect thereto;

3 4. To acquire or lease real property and make improvements
4 thereon and acquire by lease or by purchase personal property,
5 including, but not limited to, computers and intangible property,
6 including, but not limited to, computer programs, systems, and
7 software;

8 5. To enter into contracts to incur debt in its own name and
9 enter into financing agreements with the state, agencies or
10 instrumentalities of the state, or with any commercial financial
11 institution or credit provider as provided in Section 732 of this
12 title;

13 6. To select and contract with vendors and retailers;

14 7. To enter into contracts or agreements with state or local
15 law enforcement agencies for the performance of law enforcement,
16 background investigations, and security checks;

17 8. To administer oaths, take depositions, issue subpoenas, and
18 compel the attendance of witnesses and the production of books,
19 papers, documents, and other evidence relative to any investigation
20 or proceeding conducted by the Commission;

21 9. To enter into contracts of any and all types on such terms
22 and conditions as the Commission may determine;

23 10. To advertise and promote the lottery and lottery games.

24 None of the advertisement and promotion allowed by this paragraph

1 shall involve children under the age of eighteen (18) in any manner
2 and all prize tickets shall include the toll free telephone number
3 and other contact information for the Department of Mental Health
4 and Substance Abuse Services programs for the treatment of
5 compulsive gambling disorder; and

6 11. To act as a retailer, to conduct promotions which involve
7 the dispensing of lottery tickets or shares, and to establish and
8 operate a sales facility to sell lottery tickets or shares and any
9 related merchandise.

10 B. The board of trustees of the Oklahoma Lottery Commission
11 shall have any and all powers necessary or convenient to its
12 usefulness in carrying out and effectuating the purposes and
13 provisions of the Oklahoma Education Lottery Act which are not in
14 conflict with the Oklahoma Constitution and laws of this state
15 including, but not limited to, the following:

16 1. To adopt, amend, and repeal policies and procedures and to
17 promulgate rules for the regulation of its affairs and the conduct
18 of its business, to prescribe the duties of officers of the board,
19 and to perform such other duties as may be required by law. In the
20 promulgation of rules, the board shall be subject to the
21 Administrative Procedures Act;

22 2. To procure insurance;

23 3. To initiate, supervise, and administer the operation of the
24 lottery in accordance with the provisions of the Oklahoma Education

1 Lottery Act and rules, policies, and procedures adopted pursuant
2 thereto;

3 4. To enter into written agreements with one or more other
4 states or sovereigns for the operation, participation in marketing,
5 and promotion of a joint lottery or joint lottery games. Such an
6 agreement may be entered into with a federally recognized Indian
7 tribe only if a cooperative agreement authorizing the Commission to
8 do so has been entered into by the Governor and such a tribe and has
9 been further approved by the Joint Committee on State-Tribal
10 Relations pursuant to the provisions of Section 1221 et seq. of
11 Title 74 of the Oklahoma Statutes;

12 5. To direct the executive director to conduct or have
13 conducted such market research as is necessary or appropriate, which
14 may include an analysis of the demographic characteristics of the
15 players of each lottery game and an analysis of advertising,
16 promotion, public relations, incentives, and other aspects of
17 communication; and

18 6. To adopt and amend such rules, policies, and procedures as
19 necessary to implement its powers and duties, organize and operate
20 the Commission, regulate the conduct of lottery games in general,
21 and any other matters necessary or desirable for the efficient and
22 effective operation of the lottery or the convenience of the public.

23 C. The powers enumerated in subsections A and B of this section
24 are cumulative of and in addition to those powers enumerated

1 elsewhere in the Oklahoma Education Lottery Act, and no such powers
2 limit or restrict any other powers of the Oklahoma Lottery
3 Commission or the board of trustees.

4 SECTION 2. AMENDATORY 3A O.S. 2011, Section 710, is
5 amended to read as follows:

6 Section 710. The board of trustees of the Oklahoma Lottery
7 Commission may promulgate rules regulating the conduct of lottery
8 games in general, including, but not limited to, rules specifying:

9 1. The type of lottery games to be conducted, including, but
10 not limited to, instant lotteries and other games traditional to the
11 lottery;

12 2. The sale price of tickets or shares and the manner of sale.
13 All sales shall be for cash only and payment by checks, credit
14 cards, charge cards, debit cards, or any form of deferred payment is
15 prohibited;

16 3. The number and amount of prizes;

17 4. The method and location of selecting or validating winning
18 tickets or shares;

19 5. The manner and time of payment of prizes, which may include
20 lump-sum payments or installments over a period of years;

21 6. The manner of payment of prizes to the holders of winning
22 tickets or shares, including, without limitation, provision for
23 payment of prizes by retailers not exceeding Six Hundred Dollars
24 (\$600.00) after deducting the price of the ticket or share and after

1 performing validation procedures appropriate to the game and as
2 specified by the board. The board may provide for a limited number
3 of retailers who can pay prizes of up to Five Thousand Dollars
4 (\$5,000.00) after performing validation procedures appropriate to
5 the game and as specified by the board without regard to where the
6 ticket or share was purchased;

7 7. The frequency of games and drawings or selection of winning
8 tickets or shares;

9 8. The means of conducting drawings;

10 9. The method to be used in selling tickets or shares;

11 10. The manner and amount of compensation to lottery retailers;

12 and

13 11. Any other matters necessary to ensure the efficient and
14 effective operation of lottery games, the continued entertainment
15 and convenience of the public, and the integrity of the lottery.

16 The board of trustees shall not permit the operation of any
17 lottery game using a video lottery machine or any lottery game which
18 is played using the internet without physical purchase of paper
19 tickets from a lottery retailer on that retailer's premises. "Video
20 lottery machine" means any electronic video game machine that, upon
21 furnishing of consideration, is available to play or simulate the
22 play of a video game, including, but not limited to, bingo and games
23 conducted pursuant to the Oklahoma Charity Games Act, poker,
24 blackjack, slot machines, pulltab machines, card games, dice,

1 dominos, roulette wheels, or other similar forms of gambling, or
2 games where winners are determined by the outcome of a sports
3 contest, using a video display and microprocessors in which the
4 player may receive free games or credits that can be redeemed for
5 cash, coins or tokens, or that directly dispenses cash, coins or
6 tokens.

7 SECTION 3. AMENDATORY 3A O.S. 2011, Section 713, as
8 amended by Section 27, Chapter 304, O.S.L. 2012 (3A O.S. Supp. 2012,
9 Section 713), is amended to read as follows:

10 Section 713. A. All gross proceeds shall be the property of
11 the Oklahoma Lottery Commission. From its gross proceeds, the
12 Commission shall pay the operating expenses of the Commission. At
13 least forty-five percent (45%) of gross proceeds shall be made
14 available as prize money. However, the provisions of this
15 subsection shall be deemed not to create any lien, entitlement,
16 cause of action, or other private right, and any rights of holders
17 of tickets or shares shall be determined by the Commission in
18 setting the terms of its lottery or lotteries. For each fiscal
19 year, the total amount available in the Oklahoma Education Lottery
20 Trust Fund for appropriation pursuant to subsection C of this
21 section may include funds from net proceeds, transfers from the
22 Oklahoma Lottery Reserve Revolving Fund or any amounts appropriated
23 from the General Revenue Fund and shall equal at least thirty-five
24 percent (35%) of the gross proceeds. However, for the purpose of

1 repaying indebtedness issued pursuant to Section 732 of this title,
2 for the first two (2) full fiscal years and any partial first fiscal
3 year of the Commission, net proceeds need only equal at least thirty
4 percent (30%) of the gross proceeds. ~~All of the net proceeds~~
5 Amounts shall be transferred to the Oklahoma Education Lottery Trust
6 Fund as provided in subsection B of this section.

7 B. 1. There is hereby created in the State Treasury a fund to
8 be designated the "Oklahoma Education Lottery Trust Fund". The fund
9 shall consist of a portion of gross proceeds from the Oklahoma
10 Education Lottery, and as applicable, amounts appropriated by the
11 Legislature from the General Revenue Fund and transfers from the
12 Oklahoma Education Lottery Reserve Revolving Fund. Except as
13 otherwise provided in paragraph 3 of this subsection and subsections
14 H and I of this section, ~~on or before the fifteenth day of each~~
15 ~~calendar quarter,~~ the Commission shall transfer monthly to the State
16 Treasurer, for credit to the Oklahoma Education Lottery Trust Fund,
17 the amount of all net proceeds accruing during the preceding
18 ~~calendar quarter~~ month. Expenditures from the fund shall be made
19 upon warrants issued by the State Treasurer against claims filed as
20 prescribed by law with the Director of the Office of Management and
21 Enterprise Services for approval and payment.

22 2. There is hereby created in the State Treasury a fund to be
23 designated the "Oklahoma Education Lottery Reserve Revolving Fund".
24 The fund shall consist of transfers from the gross proceeds of

1 Oklahoma Education Lottery as provided in paragraph 3 of this
2 subsection.

3 3. A percentage of the dollar amount certified as available for
4 appropriation for the applicable fiscal year shall be transferred
5 from gross proceeds to the Oklahoma Education Lottery Reserve
6 Revolving Fund according to the following schedule:

7 a. for the fiscal year beginning July 1, 2013, twenty
8 percent (20%),

9 b. for the fiscal year beginning July 1, 2014, forty
10 percent (40%),

11 c. for the fiscal year beginning July 1, 2015, sixty
12 percent (60%),

13 d. for the fiscal year beginning July 1, 2016, eighty
14 percent (80%), and

15 e. for the fiscal year beginning July 1, 2017, and each
16 fiscal year thereafter, one hundred percent (100%).

17 3. In the fiscal year beginning July 1, 2014, and each fiscal
18 year thereafter, any amount transferred to the Oklahoma Education
19 Lottery Reserve Revolving Fund during the prior fiscal year shall be
20 transferred to the Oklahoma Education Lottery Trust Fund for
21 appropriation for the purposes provided in subsection C of this
22 section.

23 4. For the fiscal year beginning July 1, 2013, and each fiscal
24 year thereafter during which funds are transferred pursuant to

1 paragraph 3 of this subsection, the Legislature shall appropriate
2 from the General Revenue Fund any amount necessary so that the total
3 amount in the Oklahoma Education Lottery Trust Fund which is
4 available for appropriation is equal to the amount certified for the
5 applicable fiscal year.

6 5. Upon their deposit into the State Treasury, any monies
7 representing a deposit of net proceeds shall then become the
8 unencumbered property of this state, and neither the Commission nor
9 the board of trustees shall have the power to agree or undertake
10 otherwise. The monies shall be invested by the State Treasurer in
11 accordance with state investment practices. All earnings
12 attributable to such investments shall likewise be the unencumbered
13 property of the state and shall accrue to the credit of the fund.

14 C. Monies in the Oklahoma Education Lottery Trust Fund shall
15 only be appropriated as follows:

16 1. Forty-five percent (45%) for the following, and to be
17 distributed to all common school districts based on the average
18 daily membership of the preceding year:

- 19 a. kindergarten through twelfth grade public education,
20 including but not limited to compensation and benefits
21 for public school teachers and support employees, and
22 b. early childhood development programs, which shall
23 include but not be limited to costs associated with
24 prekindergarten and full-day kindergarten programs;

1 2. Forty-five percent (45%) for the following:

2 a. tuition grants, loans and scholarships to citizens of
3 this state to enable such citizens to attend colleges
4 and universities located within this state, regardless
5 of whether such colleges and universities are owned or
6 operated by the Oklahoma State Regents for Higher
7 Education, or to attend institutions operated under
8 the authority of the Oklahoma Department of Career and
9 Technology Education; provided such tuition grants,
10 loans and scholarships shall not be made to a citizen
11 of this state to attend a college or university which
12 is not accredited by the Oklahoma State Regents for
13 Higher Education,

14 b. construction of educational facilities for elementary
15 school districts, independent school districts, the
16 Oklahoma State System of Higher Education, and career
17 and technology education,

18 c. capital outlay projects for elementary school
19 districts, independent school districts, the Oklahoma
20 State System of Higher Education, and career and
21 technology education,

22 d. technology for public elementary school district,
23 independent school district, state higher education,
24 and career and technology education facilities, which

1 shall include but not be limited to costs of providing
2 to teachers at accredited public institutions who
3 teach levels kindergarten through twelfth grade,
4 personnel at technology centers under the authority of
5 the Oklahoma State Department of Career and Technology
6 Education, and professors and instructors within the
7 Oklahoma State System of Higher Education, the
8 necessary training in the use and application of
9 computers and advanced electronic instructional
10 technology to implement interactive learning
11 environments in the classroom and to access the state-
12 wide distance learning network and costs associated
13 with repairing and maintaining advanced electronic
14 instructional technology,

15 e. endowed chairs for professors at institutions of
16 higher education operated by the Oklahoma State System
17 of Higher Education, and

18 f. programs and personnel of the Oklahoma School for the
19 Deaf and the Oklahoma School for the Blind;

20 3. Five percent (5%) to the School Consolidation and Assistance
21 Fund. When the total amount in the School Consolidation and
22 Assistance Fund from all sources equals Five Million Dollars
23 (\$5,000,000.00), all monies appropriated pursuant to this paragraph
24 which would otherwise be deposited in the School Consolidation and

1 Assistance Fund in excess of Five Million Dollars (\$5,000,000.00)
2 shall be allocated by the State Department of Education to public
3 schools based on the audited end-of-year average daily membership in
4 grades 8 through 12 during the preceding school year for the purpose
5 of purchasing technology equipment in order to conduct on-line
6 testing as required by the Achieving Classroom Excellence Act of
7 2005. If at any time the total amount in the School Consolidation
8 and Assistance Fund drops below Five Million Dollars
9 (\$5,000,000.00), the monies appropriated pursuant to this paragraph
10 shall be deposited in the School Consolidation and Assistance Fund
11 until the Fund again reaches Five Million Dollars (\$5,000,000); and

12 4. Five percent (5%) to the Teachers' Retirement System
13 Dedicated Revenue Revolving Fund.

14 D. The Legislature shall appropriate funds from the Oklahoma
15 Education Lottery Trust Fund only for the purposes specified in
16 subsection C of this section. Even when funds from the trust fund
17 are used for these purposes, the Legislature shall not use funds
18 from the trust fund to supplant or replace other state funds
19 supporting common education, higher education, or career and
20 technology education.

21 E. In order to ensure that the funds from the trust fund are
22 used to enhance and not supplant funding for education, the State
23 Board of Equalization shall examine and investigate appropriations
24 from the trust fund each year. At the meeting of the State Board of

1 Equalization held within five (5) days after the monthly
2 apportionment in February of each year, the State Board of
3 Equalization shall issue a finding and report which shall state
4 whether appropriations from the trust fund were used to enhance or
5 supplant education funding. If the State Board of Equalization
6 finds that education funding was supplanted by funds from the trust
7 fund, the Board shall specify the amount by which education funding
8 was supplanted. In this event, the Legislature shall not make any
9 appropriations for the ensuing fiscal year until an appropriation in
10 that amount is made to replenish the trust fund.

11 F. Except as otherwise provided by this subsection, no
12 deficiency in the Oklahoma Education Lottery Trust Fund shall be
13 replenished by reducing any nonlottery funds, including specifically
14 but without limitation, the General Revenue Fund, the Constitutional
15 Reserve Fund or the Education Reform Revolving Fund of the State
16 Department of Education. No program or project started specifically
17 from lottery proceeds shall be continued from the General Revenue
18 Fund, the Constitutional Reserve Fund or the Education Reform
19 Revolving Fund of the State Department of Education. Such programs
20 must be adjusted or discontinued according to available lottery
21 proceeds unless the Legislature by general law establishes
22 eligibility requirements and appropriates specific funds therefor.
23 No surplus in the Oklahoma Education Lottery Trust Fund shall be
24 reduced or transferred to correct any nonlottery deficiencies in

1 sums available for general appropriations. The provisions of this
2 subsection shall not apply to bonds or other obligations issued
3 pursuant to or to the repayment of bonds or other obligations issued
4 pursuant to the Oklahoma Higher Education Promise of Excellence Act
5 of 2005.

6 G. There is hereby created in the State Treasury a revolving
7 fund to be designated the "Oklahoma Education Lottery Revolving
8 Fund". The fund shall be a continuing fund, not subject to fiscal
9 year limitations, and shall consist of all monies received by the
10 Commission. The Commission shall make payments of net proceeds from
11 the fund to the Oklahoma Education Lottery Trust Fund on or before
12 the fifteenth day of each calendar quarter as provided in subsection
13 B of this section. All monies accruing to the credit of the
14 Oklahoma Education Lottery Revolving Fund are hereby appropriated
15 and may be budgeted and expended for the payment of net proceeds,
16 prizes, commissions to retailers, administrative expenses and all
17 other expenses arising out of the operation of the education
18 lottery, subject to the limitations provided in the Oklahoma
19 Education Lottery Act. Expenditures from the fund shall be made
20 upon warrants issued by the State Treasurer against claims filed as
21 prescribed by law with the Director of the Office of Management and
22 Enterprise Services for approval and payment.

23 The monies in the fund shall be invested by the State Treasurer
24 in accordance with state investment practices. All earnings

1 attributable to such investments shall likewise accrue to the credit
2 of the fund.

3 H. When appropriations from the Oklahoma Education Lottery
4 Trust Fund are made to common education pursuant to the provisions
5 of paragraph 1 of subsection C of this section, the appropriations
6 shall be made available on a monthly basis. In addition to the
7 provisions of subsection B of this section, the following process
8 shall be used to insure that the appropriations are made available
9 to common education in a timely manner:

10 1. Beginning in July of the fiscal year in which appropriations
11 are made to common education from the Oklahoma Education Lottery
12 Trust Fund, the Commission, on or before the ninth day of each
13 month, shall transfer to the State Treasurer, for credit to the
14 Oklahoma Education Lottery Trust Fund, the amount of net proceeds
15 accruing during the preceding month equal to the amount of total
16 monthly collections due to common education as required by paragraph
17 1 of subsection C of this section;

18 2. The Director of the Office of Management and Enterprise
19 Services shall allocate the transfers provided for in paragraph 1 of
20 this subsection to the State Department of Education on a monthly
21 basis, not to exceed one-twelfth (1/12) of the annual apportionment
22 for the fiscal year; and

23 3. The total amount of transfers to the Oklahoma Education
24 Lottery Trust Fund of net lottery proceeds made pursuant to this

1 subsection shall not exceed the total appropriations made to common
2 education from the Oklahoma Education Lottery Trust Fund for the
3 specific fiscal year.

4 I. When appropriations from the Oklahoma Education Lottery
5 Trust Fund are made to The Oklahoma State System of Higher
6 Education, the appropriations shall be made available to the System
7 on a monthly basis. In addition to the provisions of subsection B
8 of this section, the following process shall be used to ensure that
9 the appropriations are made available to The Oklahoma State System
10 of Higher Education in a timely manner:

11 1. Beginning in July of the fiscal year in which appropriations
12 are made to The Oklahoma State System of Higher Education from the
13 Oklahoma Education Lottery Trust Fund, the Commission, on or before
14 the ninth day of each month, shall transfer to the State Treasurer,
15 for credit to the Oklahoma Education Lottery Trust Fund, the amount
16 of net proceeds accruing during the preceding month equal to the
17 amount of total monthly collections due to the Oklahoma State
18 Regents for Higher Education as required by paragraph 2 of
19 subsection C of this section;

20 2. The Director of the Office of Management and Enterprise
21 Services shall allocate the transfers provided for in paragraph 1 of
22 this subsection to the Oklahoma State Regents for Higher Education
23 on a monthly basis, not to exceed one-twelfth (1/12) of the annual
24 apportionment for the fiscal year; and

1 3. The total amount of transfers to the Oklahoma Education
2 Lottery Trust Fund of net lottery proceeds made pursuant to this
3 subsection shall not exceed the total appropriations made to The
4 Oklahoma State System for Higher Education from the Oklahoma
5 Education Lottery Trust Fund for the specific fiscal year.

6 SECTION 4. AMENDATORY 3A O.S. 2011, Section 724, is
7 amended to read as follows:

8 Section 724. A. Proceeds of any lottery prize shall be subject
9 to the Oklahoma state income tax.

10 B. Attachments, garnishments, or executions authorized and
11 issued pursuant to law shall be withheld if timely served upon the
12 Oklahoma Lottery Commission. This subsection shall not apply to
13 payment of prizes by a retailer.

14 C. The Commission shall adopt policies and procedures to
15 establish a system of verifying the validity of tickets or shares
16 claimed to win prizes and to effect payment of the prizes, except
17 that:

18 1. No prize, any portion of a prize, or any right of any person
19 to a prize awarded shall be assignable. Any prize or any portion of
20 a prize remaining unpaid at the death of a prize winner shall be
21 paid to the estate of the deceased prize winner or to the trustee of
22 a trust established by the deceased prize winner as settlor if a
23 copy of the trust document or instrument has been filed with the
24 Commission along with a notarized letter of direction from the

1 settlor and no written notice of revocation has been received by the
2 Commission prior to the death of the settlor. Following the death
3 of a settlor and prior to any payment to a successor trustee, the
4 Commission shall obtain from the trustee a written agreement to
5 indemnify and hold the Commission harmless with respect to any
6 claims that may be asserted against the Commission arising from
7 payment to or through the trust. Notwithstanding any other
8 provisions of this section, any person, pursuant to an appropriate
9 judicial order, shall be paid the prize to which a winner is
10 entitled;

11 2. No prize shall be paid arising from claimed tickets that
12 are:

- 13 a. stolen, counterfeit, altered, fraudulent, unissued,
14 produced or issued in error, unreadable, not received,
15 or not recorded by the Commission within applicable
16 deadlines,
- 17 b. lacking in captions that conform and agree with the
18 play symbols as appropriate to the particular lottery
19 game involved, or
- 20 c. not in compliance with such additional public or
21 confidential validation and security tests of the
22 Commission appropriate to the particular lottery game
23 involved;

24

1 3. No particular prize in any lottery game shall be paid more
2 than once, and in the event of a determination that more than one
3 claimant is entitled to a particular prize, the sole remedy of the
4 claimants is the award to each of them of an equal share in the
5 prize;

6 4. A holder of a winning cash ticket or share from a lottery
7 game shall claim a cash prize within one hundred eighty (180) days,
8 or for a multistate or multisovereign lottery game within one
9 hundred eighty (180) days, after the drawing in which the cash prize
10 was won. In any Oklahoma lottery game in which the player may
11 determine instantly if the player has won or lost, the player shall
12 claim a cash prize within ninety (90) days, or for a multistate
13 lottery game within one hundred eighty (180) days, after the end of
14 the lottery game. If a valid claim is not made for a cash prize
15 within the applicable period, the cash prize shall constitute an
16 unclaimed prize for purposes of the Oklahoma Education Lottery Act;

17 5. Any person or persons claiming a lottery prize exceeding Six
18 Hundred Dollars (\$600.00) shall provide the Commission with their
19 name, address, social security number, and sufficient valid
20 identification as proof of the same prior to payment of the prize by
21 the Commission; and

22 6. Any person or persons claiming a lottery prize exceeding Six
23 Hundred Dollars (\$600.00) as a trust shall provide for each person
24 entitled to any portion of the prize their name, address, social

1 security number, and sufficient valid identification as proof of the
2 same prior to payment of the prize by the Commission except that
3 such information specified in this paragraph shall be confidential
4 and not subject to the provisions of the Oklahoma Open Records Act.

5 D. No prize shall be paid upon a ticket or share purchased or
6 sold in violation of the Oklahoma Education Lottery Act. Any such
7 prize shall constitute an unclaimed prize for purposes of the
8 Oklahoma Education Lottery Act.

9 E. The Commission is discharged of all liability upon payment
10 of a prize.

11 F. No ticket or share shall be purchased by and no prize shall
12 be paid to any member of the board of trustees of the Oklahoma
13 Lottery Commission, any officer or employee of the Commission, or to
14 any spouse, child, brother, sister, or parent residing as a member
15 of the same household in the principal place of residence of any
16 such person. No ticket or share shall be purchased by and no prize
17 shall be paid to any officer, employee, agent, or subcontractor of
18 any vendor or to any spouse, child, brother, sister, or parent
19 residing as a member of the same household in the principal place of
20 residence of any such person if the officer, employee, agent, or
21 subcontractor has access to confidential information which may
22 compromise the integrity of the lottery.

23 G. Unclaimed prize money shall not constitute net lottery
24 proceeds. The first ~~Five Hundred Thousand Dollars (\$500,000.00)~~

1 Seven Hundred Fifty Thousand Dollars (\$750,000.00) of unclaimed
2 prize money accruing annually shall be transferred to the Department
3 of Mental Health and Substance Abuse Services for the treatment of
4 compulsive gambling disorder and educational programs related to
5 such disorder. All other unclaimed prize money shall be added to
6 the pool from which future prizes are to be awarded or used for
7 special prize promotions.

8 SECTION 5. NEW LAW A new section of law not to be
9 codified in the Oklahoma Statutes reads as follows:

10 The Governor shall initiate negotiations for new terms for the
11 Model Tribal Gaming Compact between the state and any tribe to
12 increase the amount received each month by the state pursuant to the
13 Compact and Section 280 of Title 3A of the Oklahoma Statutes, which
14 is transferred to the Department of Mental Health and Substance
15 Abuse Services for the treatment of compulsive gambling disorder and
16 educational programs related to such disorder.

17 SECTION 6. This act shall become effective July 1, 2013.

18 SECTION 7. It being immediately necessary for the preservation
19 of the public peace, health and safety, an emergency is hereby
20 declared to exist, by reason whereof this act shall take effect and
21 be in full force from and after its passage and approval.

22 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
23 February 13, 2013 - DO PASS AS AMENDED
24