

SENATE BILL 96

Introduced by T. Beck

1/15	Introduced
1/15	First Reading
1/15	Referred to Taxation
1/15	Fiscal Note Requested
1/18	Fiscal Note Received
1/19	Fiscal Note Printed
1/22	Hearing
1/22	Tabled in Committee

Senate BILL NO. 96

INTRODUCED BY

Stepple

A BILL FOR AN ACT ENTITLED: "AN ACT EARMARKING A PORTION OF THE LOTTERY REVENUE TO COUNTY GOVERNMENTS FOR ECONOMIC DEVELOPMENT; AMENDING SECTIONS 23-5-1007 AND 23-5-1027, MCA; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 23-5-1027, MCA, is amended to read:

"23-5-1027. Disposition of revenue. (1) A minimum of 45% of the money paid for tickets or chances must be paid out as prize money. The prize money is statutorily appropriated, as provided in 17-7-502, to the lottery.

(2) Commissions paid to lottery ticket or chance sales agents are not a state lottery operating expense.

(3) That part of all gross revenue not used for the payment of prizes, commissions, and operating expenses, together with the interest earned on the gross revenue while the gross revenue is in the enterprise fund, is net revenue and must be paid quarterly from the enterprise fund established by 23-5-1026 in the following manner:

(a) 10% of the net revenue generated in each county to that county for use in economic development; and

(b) the remainder of the net revenue to the

superintendent of public instruction for distribution as state equalization aid to the public schools of Montana, as provided in 20-9-343.

(4) The net revenue is statutorily appropriated, as provided in 17-7-502, to the superintendent of public instruction.

(5) The spending authority of the lottery may be increased in accordance with this section upon review and approval of a revised operation plan by the budget office."

Section 2. Section 23-5-1007, MCA, is amended to read:

"23-5-1007. Powers and duties of commission. The commission shall:

(1) establish and operate a state lottery and may not become involved in any other gambling or gaming;

(2) determine policies for the operation of the state lottery, supervise the director and his staff, and meet with the director at least once every 3 months to make and consider recommendations, set policies, determine types and forms of lottery games to be operated by the state lottery, and transact other necessary business;

(3) maximize the net revenue paid to counties and the superintendent of public instruction under 23-5-1027 and ensure that all policies and rules adopted further revenue maximization;

(4) subject to 23-5-1027(1), determine the percentage

1 of the money paid for tickets or chances to be paid out as
2 prizes;

3 (5) determine the price of each ticket or chance and
4 the number and size of prizes;

5 (6) provide for the conduct of drawings of winners of
6 lottery games;

7 (7) carry out, with the director, a continuing study of
8 the state lotteries of Montana and other states to make the
9 state lottery more efficient, profitable, and secure from
10 violations of the law;

11 (8) study and may enter into agreements with other
12 lottery states to offer lottery games;

13 (9) prepare quarterly and annual reports on all aspects
14 of the operation of the state lottery, including but not
15 limited to types of games, gross revenue, prize money paid,
16 operating expenses, net revenue to the state, contracts with
17 gaming suppliers, and recommendations for changes to this
18 part, and deliver a copy of each report to the governor, the
19 department of administration, the legislative auditor, the
20 president of the senate, the speaker of the house of
21 representatives, and each member of the appropriate
22 committee of each house of the legislature as determined by
23 the president of the senate and the speaker of the house;
24 and

25 (10) adopt rules relating to lottery staff sales

1 incentives or bonuses and sales agents' commissions and any
2 other rules necessary to carry out this part."

3 NEW SECTION. Section 3. Effective date. [This act] is
4 effective July 1, 1991.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0096, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act earmarking a portion of the lottery revenue to county governments for economic development; and providing an effective date.

ASSUMPTIONS:

1. Total lottery revenue under current law is estimated to be \$28,004,551 in FY 92 and \$29,504,553 in FY 93 (Office of Budget and Program Planning).

FISCAL IMPACT:

Revenues:

	FY '92			FY '93		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
Lottery Revenue (02)	28,004,551	28,004,551	0	29,504,553	29,504,553	0

Funding:

	FY 92			FY 93		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
Operating Expenditures (02)	21,814,401	21,814,401	0	22,422,609	22,422,609	0
Foundation Program (02)	6,190,150	5,571,135	(619,015)	7,081,944	6,373,750	(708,194)
County Econ. Develop.	0	619,015	619,015	0	708,194	708,194
Total	28,004,551	28,004,551	0	29,504,553	29,504,553	0

 1-18-91
 ROD SUNDSTED, BUDGET DIRECTOR DATE
 Office of Budget and Program Planning

 1/19/91
 THOMAS A. (TOM) BECK, PRIMARY SPONSOR DATE

Fiscal Note for SB0096, as introduced

SB 96