

MINUTES OF THE MEETING
STATE ADMINISTRATION COMMITTEE
MONTANA STATE SENATE

April 18, 1985

The fifty-eighth meeting of the State Administration Committee was called to order by Chairman Jack Haffey in Room 331, at 5 p.m. on Thursday, April 18, 1985.

ROLL CALL: All the members were present.

EXECUTIVE ACTION ON HOUSE BILL 945: Senator Manning made a motion that House Bill 945 be concurred in. Senator Mohar made a substitute motion that House Bill 945 be tabled. He felt that since the house had tabled the interim study bill on the lottery, that this bill should be tabled in order to force them to take the other bill off the table. Senator Mohar felt that people had the right to all the information gathered in the study before they voted on the lottery. Question was called. Senator Lynch said that this was not a good idea and he would have to speak in opposition to it, since the voters of the state would receive all kinds of information before this referendum was on the ballot. Senator Hirsch asked if the Committee was, in effect, adopting the same bill that they acted on last time. Senator Haffey told him that there were some changes. The place that the money would go was different. The money would go into the teachers retirement fund in order to lessen property taxes. Senator Haffey said that "instant winner" games were in and electronic games were out. Question was called, and with Senator Mohar, Senator Harding and Senator Hirsch voting aye, the motion failed. Senator Haffey then directed the Committee that the first motion would be voted on--the original motion was that House Bill 945 be concurred in. Question was called, and with Senators Mohar, Harding and Hirsch voting no, the motion passed, so HOUSE BILL 945 BE CONCURRED IN. The Committee voted unanimously that the Statement of Intent be adopted. The meeting was adjourned at 5:20 p.m.



SENATOR JACK HAFFEY, CHAIRMAN

STANDING COMMITTEE REPORT

April 18 19 85

MR. PRESIDENT

We, your committee on **STATE ADMINISTRATION**

having had under consideration **HOUSE BILL** No. **945**

third reading copy (**blue**)
color

(Senator Stimatz will carry)

VOTER REFERENDUM ON ADOPTION OF A STATE LOTTERY

Respectfully report as follows: That **HOUSE BILL** No. **945**

BE CONCURRED IN

STATEMENT OF INTENT ADOPTED
AND ATTACHED

XXXXXX
DO PASS

XXXXXXXXX
DO NOT PASS

Chairman.

April 18, 1985

MR. PRESIDENT,

WE, YOUR COMMITTEE ON PUBLIC HEALTH HAVING HAD UNDER CONSIDERATION HOUSE BILL 945, ATTACH THE FOLLOWING STATEMENT OF INTENT.

STATEMENT OF INTENT

HOUSE BILL NO. 945

A statement of intent is required for this act because under the provisions of the act the state lottery commission must establish and operate a state lottery and adopt policies and rules regarding but not limited to:

- (1) the operations of the lottery director and his staff;
 - (2) the price, number, and size of tickets or chances;
 - (3) the drawing of lottery winners;
 - (4) lottery tickets or chance sales and tickets or chance sales agents;
 - (5) the immediate payment of small prizes;
 - (6) lottery security;
 - (7) purchase or rental of gaming equipment and supplies;
- and
- (8) other matters relating to the successful operation of the lottery.

A state lottery is primarily a business operation and has as a purpose the earning of net revenue. The successful operation

of a state lottery, as shown by the experience of other state lotteries, depends to a large degree upon the flexibility to operate the lottery as a business enterprise. The success of a lottery also depends upon the operation of the lottery within a statutory framework ensuring the integrity of the staff and all phases of the operation of the lottery and the avoidance of even the appearance of any illegalities or conflicts of interest.

To these ends, it is contemplated that the state lottery commission will be composed of persons conversant with the types of administrative rules necessary to the successful operation of the lottery and will adopt rules ensuring the integrity and success of the lottery.

In accord with the theory that a lottery is primarily a business, it is contemplated that the rules will change or allow changes in the operation of the lottery consistent with statutes as new business techniques and ideas, new games and prizes, better outlets for ticket sales, and better management techniques are discovered.

Any definitions contained in this act pertain only to the state lottery. It is the intent of the legislature that the state lottery commission operate a state lottery only, and it is not intended that the commission shall be involved in any way in other forms of gambling.