

SENATE BILL NO. 51

INTRODUCED BY M. TROPILA, W. STAHL

BY REQUEST OF THE LEGISLATIVE AUDIT COMMITTEE

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A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING THE REQUIREMENT THAT LEGISLATIVE AUDITOR'S DIVISION STAFF OBSERVE LOTTERY DRAWINGS; ~~AND~~ AMENDING SECTION 23-7-311, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 23-7-311, MCA, is amended to read:

"23-7-311. Drawings for and payment of prizes -- unclaimed prizes. (1) All drawings must be held in public. The selection of winning tickets may not be performed by an employee of the lottery or by a member of the commission. All drawings ~~must~~ may be witnessed by a professional staff employee of the legislative auditor's office, and all lottery drawing equipment used in public drawings to select winning prizes or participants for prizes must be examined by the director's staff ~~and a professional staff employee of the legislative auditor's office~~ prior to and after each public drawing.

(2) The commission may by rule provide for the payment of prizes by ticket or chance sales agents, whether or not the paying agent sold the winning ticket or chance, whenever the amount of the prize is less than an amount set by commission rule. Payment may not be made directly by a machine or device or by a computer terminal.

(3) (a) Except as provided in subsection (3)(b), prizes over \$100,000 may in the discretion of the commission be paid either in one lump sum or in equal yearly installments without interest over a period of not more than 20 years and in yearly installment payments of not less than \$20,000.

(b) If the commission enters into an agreement under the provisions of 23-7-202(8) to participate in a game for prizes of over \$100,000 that requires payment periods of more than 20 years or yearly installment payments of less than \$20,000 as a condition of participation, the commission may adopt the installment payment amounts and time periods necessary to comply with the conditions of the game.

(4) Prizes not claimed within 6 months are forfeited and must be paid into the state lottery fund. No interest is due on a prize when a claim is delayed but made within 6 months.



1 (5) The right to a prize is not assignable, but prizes may be paid to a deceased winner's estate or to a
2 person designated by judicial order."

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4 NEW SECTION. SECTION 2. EFFECTIVE DATE. [THIS ACT] IS EFFECTIVE ON PASSAGE AND APPROVAL.

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