

1 HOUSE BILL NO. 20

2 INTRODUCED BY R. COOK

3 BY REQUEST OF THE LEGISLATIVE FINANCE COMMITTEE

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5 A BILL FOR AN ACT ENTITLED: "AN ACT CREATING A STATUTORY APPROPRIATION FOR THE PAYMENT
6 OF LOTTERY CONTRACTOR FEES; AMENDING SECTION 23-7-402, MCA; AND PROVIDING AN EFFECTIVE
7 DATE AND A TERMINATION DATE."

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

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11 **Section 1.** Section 23-7-402, MCA, is amended to read:

12 **"23-7-402. Disposition of revenue.** (1) A minimum of 45% of the money paid for tickets or chances
13 must be paid out as prize money. The prize money is statutorily appropriated, as provided in 17-7-502, to the
14 lottery.

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

16 (3) Lottery contractor fees, which are fees paid to contracted lottery vendors based on sales, must be
17 paid from the state lottery enterprise fund. The money to pay lottery contractor fees is statutorily appropriated,
18 as provided in 17-7-502, to the lottery.

19 ~~(3)~~(4) That part of all gross revenue not used for the payment of prizes, commissions, and operating
20 expenses, together with the interest earned on the gross revenue while the gross revenue is in the enterprise
21 fund, is net revenue. Net revenue must be transferred quarterly from the enterprise fund established by 23-7-401
22 to the state general fund.

23 ~~(4)~~(5) The spending authority of the lottery may be increased in accordance with this section upon review
24 and approval of a revised operation plan by the office of budget and program planning."

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26 NEW SECTION. **Section 2. Effective date.** [This act] is effective July 1, 2013.

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28 NEW SECTION. **Section 3. Termination.** [This act] terminates June 30, 2019.

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