

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1243

Page 1, line 1, replace the second "and" with "a new subsection to section 57-38-57,"

Page 1, line 2, after "57-39.2-04" insert ", and a new subsection to section 57-39.2-23"

Page 1, line 3, after the second comma insert "disclosure of confidential income and sales and use tax information,"

Page 1, line 4, after "reenact" insert "subsection 2 of section 50-09-14 and subsection 2 of" and replace "12.1-28-02" with "54-10-01"

Page 1, line 5, replace "lottery offenses" with "setoffs of lottery prize payments for payment of child support and to the powers and duties of the state auditor"

Page 1, remove lines 8 through 23

Page 2, remove lines 1 through 30

Page 3, remove lines 1 and 2

Page 3, after line 8, insert:

"SECTION 2. AMENDMENT. Subsection 2 of section 50-09-14 of the North Dakota Century Code is amended and reenacted as follows:

2. Any person aggrieved by an action taken by the state agency or a child support agency under section 14-09-25, ~~chapter 35-34, this chapter, or chapter 35-34~~ or by the North Dakota lottery director under chapter 53-12 to establish or enforce a child support order may seek review of the action ~~of the state agency or child support agency~~ in the court of this state ~~that~~ which issued or considered the child support order. If an order for child support was issued by a court or administrative tribunal in another state, any person aggrieved by an action taken by the state agency or a child support agency under section 14-09-25, ~~chapter 35-34, this chapter, or chapter 35-34~~ or by the North Dakota lottery director under chapter 53-12 to enforce that order may seek review of the action ~~of the state agency or child support agency~~ in any court of this state which has jurisdiction to enforce that order, or if no court of this state has jurisdiction to enforce that order, in any court of this state with jurisdiction over the necessary parties. Any review sought under this subsection must be commenced within thirty days after the date of action for which review is sought. A person who has a right of review under this subsection may not seek review of the actions ~~of the state agency or child support agency~~ in a proceeding under chapter 28-32."

Page 3, line 14, after "3." insert "Gross profits" means on-line sales of lottery tickets less prize share payments, prizes claimed on redeemed winning tickets, and lottery retailer commissions.

4."

Page 3, line 16, replace "4." with "5."

Page 3, line 20, replace "5." with "6."

Page 3, line 22, replace "6." with "7."

Page 3, line 25, replace "7." with "8.", remove "with whom", and replace "contracted" with "licensed"

Page 3, line 27, replace "8." with "9."

Page 3, line 29, replace "9." with "10."

Page 4, line 14, remove "multistate."

Page 4, line 19, after "services" insert ", including services from financial institutions and other state agencies"

Page 4, line 21, replace "Contract with and license" with "License"

Page 5, line 4, replace "and" with:

"10. Based on reasonable ground or written complaint, suspended, deny, or revoke a lottery retailer's license or impose a monetary fine, or both, for a violation, by the retailer or any agent, member, or employee of the retailer, of this chapter or any rule adopted under this chapter; and"

Page 5, line 5, replace "10." with "11."

Page 5, line 22, remove "multistate"

Page 5, line 24, after "lottery" insert "game"

Page 6, line 5, after "audit" insert ", conducted by the state auditor,"

Page 6, line 15, remove "and persons licensed pursuant to this chapter to the state general fund"

Page 7, line 13, replace "contract" with "license" and replace "Contract" with "License"

Page 7, line 15, replace "All" with "A", replace "contracts" with "license", and replace "are" with "is"

Page 7, line 16, after "canceled" insert ", revoked," and replace "contract" with "license"

Page 7, line 18, replace "certificate" with "license"

Page 7, line 19, replace "certificate" with "license" and replace "certificate" with "license"

Page 7, line 21, replace "certificate" with "license"

Page 9, line 19, after the underscored period insert "For the initial selection of lottery retailers, the commission may recommend, for the director's consideration, lottery retailer applicants for licensure based on criteria prescribed by section 53-12-09."

Page 10, line 2, after the underscored period insert "The attorney general may adopt emergency rules for purposes of this section without the finding otherwise required under section 28-32-03."

Page 11, line 13, replace "net proceeds" with "gross profits generated"

Page 11, line 16, remove "remainder of the" and replace "from the sale of lottery tickets" with "less the amount allocated to the compulsive gambling prevention and treatment fund and a holdback of any reserve funds the director may need for continuing operations."

Page 11, line 24, replace "authorized" with "licensed"

Page 11, line 28, after "guardian" insert "or deposited in court"

Page 12, line 1, after "prize" insert "of five thousand dollars or less"

Page 12, line 2, after the underscored period insert "Any prize of more than five thousand dollars won by a minor must be deposited in court by the director for the benefit of the minor for further disposition pursuant to chapter 30.1-29."

Page 12, line 19, remove "**Right to prize nonassignable -**"

Page 12, line 21, replace "who" with "that"

Page 12, line 23, replace "duly appointed" with "lawful" and remove "The right of a person to a prize"

Page 12, line 24, remove "drawn or awarded is not assignable."

Page 12, line 25, remove "Unclaimed prize money must be retained for a period deemed"

Page 12, remove line 26

Page 12, line 27, remove "money must be added to the prize pools of subsequent lottery games."

Page 13, line 1, replace "governor may negotiate" with "North Dakota lottery may license a retailer"

Page 13, line 2, remove "with Indian tribes for the placement and distribution of lottery products"

Page 13, line 3, after "reservations" insert "or on tribal trust land referenced by the tribal-state gaming compacts in effect"

Page 13, line 4, after the second underscored boldfaced period insert:

"1."

Page 13, line 5, replace "except for official purposes, and may not be disclosed except to" with "including:"

- a. Sales and income tax information, financial statements, and credit reports of retailer applicants and persons seeking or doing business with the lottery, and application information other than an applicant's name and retail location;
 - b. Information related to persons owing a debt to the state or having a debt collected through a state agency made confidential by another state law or rule remains confidential under this section;
 - c. Internal control and security procedures and information on bids or contractual data, the disclosure of which is harmful to the efforts of the lottery to contract for goods and services on favorable terms;
 - d. Personal information on a winning player unless the player authorizes, in writing, release of the information; and
 - e. Sales data, the disclosure of which is harmful to the competitive position of the lottery, retailers, or persons seeking or doing business with the lottery.
2. To be confidential, the information must be necessary to the security and integrity of the lottery. The information and records may be disclosed within the attorney general's office or to authorized persons in the proper administration of this chapter or lottery rule or in accordance with a judicial order. Criminal history record check information on a retailer applicant or person seeking or doing business with the lottery may be disseminated only according to chapter 12-60.

Page 13, remove lines 6 through 17

Page 13, line 25, remove "**Notice of right to appeal -**"

Page 13, line 27, replace "in excess of" with "equal to or greater than"

Page 13, line 28, replace "one" with "six"

Page 13, line 29, remove "person's right to appeal to the appropriate court or to"

Page 13, remove line 30

Page 13, line 31, remove "appeal within thirty days after the"

Page 14, line 1, remove "promptly"

Page 14, line 2, after "agency" insert "unless the person notifies the director, in writing, no later than thirty days after receiving the notice of the setoff that the person disputes all or a part of the debt owed or to be collected by the state agency"

Page 14, after line 12, insert:

53-12-34. Voluntary deposit of adverse claims to prize payment or award.
Notwithstanding sections 53-12-20, 53-12-24, 53-12-26, 53-12-30, and 53-12-32, if two or more persons or state agencies make adverse claims to all or a part of a prize

payment or award, upon receipt of written notice from the claimants setting forth their respective claims, the director may deposit, in accordance with section 32-11-02, the contested amount of the prize payment or award with the clerk of court in the district in which an action pertaining to the contested amount is pending or with a court-authorized depository. Upon making the deposit, the state and its officials and employees are discharged and relieved from further liability to any person or agency on account of the prize payment or award.

SECTION 4. AMENDMENT. Subsection 2 of section 54-10-01 of the North Dakota Century Code is amended and reenacted as follows:

2. Perform or provide for the audit of the general purpose financial statements and a review of the material included in the comprehensive annual financial report of the state and perform or provide for the audits and reviews of state agencies. The Except for the annual audit of the North Dakota lottery required by section 53-12-07, the state auditor shall audit or review each state agency once every two years. The state auditor shall determine the contents of the audits and reviews of state agencies. The state auditor may conduct any work required by the federal government. The state auditor shall charge an amount equal to the cost of the audit and other services rendered by the state auditor to all agencies that receive and expend moneys from other than the general fund. This charge may be reduced for any agency that receives and expends both general fund and non-general fund moneys. Audits and reviews may be conducted at more frequent intervals if requested by the governor or legislative audit and fiscal review committee.

SECTION 5. A new subsection to section 57-38-57 of the North Dakota Century Code is created and enacted as follows:

The tax commissioner, upon written request from the director of the North Dakota lottery, may provide a written statement to the director, employees, or agents of the North Dakota lottery, in which the tax commissioner is limited to stating that the lottery retailer applicant has complied or not complied with the requirements of this chapter. The information obtained under this subsection is confidential and may be used for the sole purpose of determining whether the applicant meets the requirements of subdivision d of subsection 1 of section 53-12-13 and subdivision d of subsection 1 of section 53-12-14."

Page 14, after line 15, insert:

"SECTION 7. A new subsection to section 57-39.2-23 of the North Dakota Century Code is created and enacted as follows:

The tax commissioner, upon written request from the director of the North Dakota lottery, may provide a written statement to the director, employees, or agents of the North Dakota lottery, in which the tax commissioner is limited to stating that the lottery retailer applicant has complied or not complied with the requirements of this chapter. the information obtained under this subsection is confidential and may be used for the sole purpose of determining whether the applicant meets the requirements of subdivision d of subsection 1 of section 53-12-13 and subdivision d of subsection 1 of section 53-12-14."

Renumber accordingly