

NORTH DAKOTA LOTTERY

Administrative Rules Committee Meeting
March 10, 2011

Mr. Chairman, and members of the Committee, my name is Randy Miller. I am the director of the North Dakota Lottery, a division of the Office of Attorney General. Today, I will be providing information describing the procedure followed by the North Dakota Lottery in adopting the rules published in the April 2011 supplement to the North Dakota Administrative Code.

I will begin by addressing the questions listed in the Legislative Council's March 1, 2011 letter. Please feel free to ask questions at any time.

1. The rules do not result from statutory changes made by the Legislative Assembly.
2. The rules do not relate to any federal statute or regulation.
3. The Lottery drafted rules which the Lottery Advisory Commission approved. A notice of public hearing was filed with the Legislative Council on October 18, 2010. Notifications on the public hearings and availability of the proposed rules were publicized in 52 county newspapers during October 23 to November 3, 2010. The rules were available at the public hearing, Lottery's office, Lottery's website, and to the public upon request.

Note: The October 18, 2010 notification of a public hearing and availability of proposed rules was scheduled to be publicized in 52 daily and weekly newspapers during October 23 to October 29, 2010. The ND Newspaper Association notified the Lottery that the Ashley Tribune missed running the notice on October 27 and rescheduled to run it on November 3 which only allowed for 19 days between the latest publication and the date of the public hearing, rather than the 20 days required by law.

The Lottery conducted one public hearing on November 22, 2010 in Bismarck - no one attended the hearing.

The Office of Attorney General examined and approved the final version of adopted rules as to their legality. The Lottery filed the rules with the Legislative Council.

4. There were no written or oral concerns, objections, or complaints for agency consideration with regard to these rules.
5. The approximate cost of giving public notice, holding a hearing, and developing and adopting the rules (excluding staff time) is:

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Publishing notices of public hearings	\$1,458
Holding public hearings	0
Developing and adopting the rules	<u>0</u>
Total	\$1,458

6. The purpose of the proposed amendments is to update rules. The rules address changes to the power play option for Powerball and megaplier option and prize pool for Mega Millions.
7. A regulatory analysis was not required by NDCC Section 28-32-08.
8. A regulatory analysis or economic impact statement of impact on small entities was not required by NDCC Section 28-32-08.1.
9. A constitutional takings assessment was not required by NDCC Section 28-32-09.
10. The rules were adopted as emergency rules under NDCC Sections 28-32-03 and 53-12.1-13. These rules relate directly to the changes to the power play option for the Powerball game effective November 1, 2010 and megaplier option and prize pool for the Mega Millions game effective December 1, 2010 as required by the Multi-State Lottery Association.

This completes my testimony. Thank you for the opportunity to appear before the committee to describe the procedure followed by the Lottery in adopting the rules.

If there are any other questions, I would be happy to answer them at this time.