

NORTH DAKOTA LOTTERY

Administrative Rules Committee Meeting
June 10, 2010

Mr. Chairman, and members of the Administrative Rules 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 July 2010 supplement to the North Dakota Administrative Code.

I will begin by addressing the questions listed in the Legislative Council's May 26, 2010 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 January 21, 2010. Notifications on the public hearings and availability of the proposed rules were publicized in 52 county newspapers during January 27 to February 2, 2010. The rules were available at the public hearing, Lottery's office, and to the public upon request.

The Lottery conducted one public hearing on March 3, 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:

Publishing notices of public hearings	\$1,573
Holding public hearings	0
Developing and adopting the rules	<u>0</u>
Total	\$1,573

6. The purpose of the rules is to clarify rules, update rules, make technical corrections, and adopt game rules. The rules address debt setoff of prize; sales commission and bonus; games authorized; claim of a prize; subscription; and adopt rules for the Mega Millions game, including game description; expected prize pool percentages and odds; prize pool and payment; and megaplier option.
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. Several rules were adopted as emergency rules under NDCC Sections 28-32-03 and 53-12.1-13. These rules relate directly to the addition of the Mega Millions game launched by the Multi-State Lottery Association on January 31, 2010.

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.