



Phil Mullin

Bill Analysis

Legislative Service Commission

H.B. 68

123rd General Assembly
(As Introduced)

Reps. Coughlin, Tiberi, Harris, Brading, Jolivette, Van Vyven, Krebs, Hood, Grendell, Taylor, Pringle, Barrett, DePiero, Flannery, Patton, Terwilleger, Roman

BILL SUMMARY

- Increases from 30% to 35% the percentage of the total revenue from the sale of lottery tickets that the Director of Budget and Management must transfer from the State Lottery Fund to the Lottery Profits Education Fund under specified circumstances.
- Restricts the percentage of revenue accruing from lottery ticket sales that may be spent on advertising or other promotion of the lottery.
- Creates the Lottery Oversight Committee until December 31, 2002.

CONTENT AND OPERATION

Lottery Profits Education Fund

Current law creates the Lottery Profits Education Fund and requires that it be used solely for the support of elementary, secondary, vocational, and special education programs as determined in appropriations made by the General Assembly. The Lottery Profits Education Fund receives amounts in the following manner: whenever, in the judgment of the Director of Budget and Management, the amount to the credit of the State Lottery Fund exceeds the amount needed to meet the maturing obligations of the State Lottery Commission and as working capital for its further operations, the Director must transfer this excess to the Lottery Profits Education Fund.

Under current law, the amount so transferred must equal no less than *30% of the total revenue* accruing from the sale of lottery tickets. The bill increases this percentage to 35% of that total revenue. (Sec. 3770.06(B).)

Lottery games advertising

The bill adds the following prohibition to the State Lottery Law: not more than one-half of one per cent of the total revenue accruing from the sale of lottery tickets may be spent for advertising or other promotion of the lottery (sec. 3770.06(A)).

Lottery Oversight Committee

The bill creates the Lottery Oversight Committee to oversee the operations of the State Lottery Commission. The Committee, by an affirmative vote of at least three of its four members (see below), may adopt recommendations regarding any aspect of Commission operations and may submit recommendations in writing to the Commission. At each Committee meeting, the Commission must make a report to the Committee on Commission matters, including an itemized statement of the expenditure, disbursement, or other disposition of money credited to the Lottery Gross Revenue Fund, the State Lottery Fund, the Lottery Profits Education Fund, and the Deferred Prizes Trust Fund. The Committee must meet at least quarterly and also must meet at the call of its chairperson or upon the written request of at least three of its members. (Sec. 3770.09.)

The Committee must consist of four members, with two members from the House of Representatives and two from the Senate. One member must be a member of the majority party in the House appointed by the Speaker, one member must be a member of the minority party in the House appointed by the House Minority Leader, one member must be a member of the majority party in the Senate appointed by the Senate President, and one member must be a member of the minority party in the Senate appointed by the Senate Minority Leader. The bill requires that Committee members be appointed within 30 days after the first regular session of the General Assembly convenes and that each Committee member must serve a term ending on the last day of the General Assembly in which the member is appointed to the Committee. Members must serve without compensation, but must be reimbursed by the Commission for their actual and necessary expenses incurred in the discharge of their official duties as Committee members. Any vacancies on the Committee must be filled in the same manner as the original appointment, and members may be reappointed to the Committee. Any member appointed to fill a vacancy occurring prior to the end of the term for which the member's predecessor was appointed to the Committee holds office for the remainder of the predecessor's term. (Sec. 3770.09.)

The Committee ceases to exist on December 31, 2002. (Section 3 of the bill.)

HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	01-20-99	p. 96

H0068-I.123/jc

