

IN THE SENATE

SENATE BILL NO. 1041

BY STATE AFFAIRS COMMITTEE

AN ACT

1 RELATING TO THE IDAHO STATE LOTTERY; REPEALING SECTION 67-7430, IDAHO CODE,  
2 RELATING TO A TEMPORARY LINE OF CREDIT FOR START-UP COSTS; AMENDING SEC-  
3 TION 67-7431, IDAHO CODE, TO REMOVE REFERENCE TO A CODE SECTION; AMEND-  
4 ING SECTION 67-7432, IDAHO CODE, TO REMOVE REFERENCE TO A CODE SECTION;  
5 AMENDING SECTION 67-7433, IDAHO CODE, TO REMOVE PROVISIONS RELATING TO  
6 LOW-TIER CLAIMS; AND AMENDING SECTION 67-7436, IDAHO CODE, TO REMOVE  
7 THE REQUIREMENT THAT ALL DRAWINGS OF THE STATE LOTTERY BE WITNESSED BY  
8 AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT.  
9

10 Be It Enacted by the Legislature of the State of Idaho:

11 SECTION 1. That Section [67-7430](#), Idaho Code, be, and the same is hereby  
12 repealed.

13 SECTION 2. That Section 67-7431, Idaho Code, be, and the same is hereby  
14 amended to read as follows:

15 67-7431. CASH RECEIPTS. The following moneys shall be deposited in the  
16 state lottery account, as established under section 67-7428, Idaho Code:

17 (1) All moneys received from the sale of lottery tickets or shares; and  
18 (2) ~~Funds drawn against the temporary line of credit, as established~~  
19 ~~under section 67-7430, Idaho Code; and~~

20 ~~(3)~~ Any other moneys received by the lottery from whatever source.

21 SECTION 3. That Section 67-7432, Idaho Code, be, and the same is hereby  
22 amended to read as follows:

23 67-7432. CASH DISBURSEMENTS. The director is authorized to make the  
24 following disbursements from the state lottery account:

25 (1) Payment of prizes directly to the holder of valid winning tickets or  
26 shares;

27 (2) Purchase of annuities or investments to be utilized to pay future  
28 installments of winning tickets or shares;

29 (3) Refunds, if any, due to lottery retailers or players;

30 (4) Expenses of the lottery;

31 (5) Payments to an Indian tribe pursuant to a state-tribal gaming com-  
32 pact negotiated pursuant to section 67-429A, Idaho Code;

33 (6) The payment of the lottery's obligations, including ~~the funds ad-~~  
34 ~~vanced under the temporary line of credit, as provided for under section~~  
35 ~~67-7430, Idaho Code, and the purchase of property, buildings and equipment;~~  
36 and

37 (7) The payment of dividends, as provided for under section 67-7434,  
38 Idaho Code.

1 SECTION 4. That Section 67-7433, Idaho Code, be, and the same is hereby  
2 amended to read as follows:

3 67-7433. PRIZE EXPENSE. Total prize expense, net of unclaimed prizes,  
4 as determined on an annual basis, shall be no less than forty-five percent  
5 (45%) of lottery revenues. ~~In addition, low-tier claims, if any, that are~~  
6 ~~to be paid by the selling lottery game retailer and are not claimed, shall be~~  
7 ~~construed to be a prize expense and shall inure to the benefit of the selling~~  
8 ~~lottery retailer.~~

9 SECTION 5. That Section 67-7436, Idaho Code, be, and the same is hereby  
10 amended to read as follows:

11 67-7436. AUDITS. A certified public accounting firm appointed by the  
12 commission shall conduct audits of all accounts and transactions of the  
13 state lottery. The director and his agents conducting an audit under this  
14 chapter shall have access and authority to examine any and all lottery-re-  
15 lated records of lottery vendors and retailers. Such records shall be  
16 subject to disclosure according to chapter 3, title 9, Idaho Code. ~~An inde-~~  
17 ~~pendent certified public accountant, retained by the state lottery, shall~~  
18 ~~witness all drawings of the state lottery.~~