

1 STATE OF OKLAHOMA

2 1st Session of the 57th Legislature (2019)

3 HOUSE BILL 1917

By: Luttrell

4  
5 AS INTRODUCED

6 An Act relating to amusements and gaming; creating  
7 the Instant Ticket Lottery Machine Act; defining  
8 terms; authorizing the Oklahoma Lottery Commission to  
9 issue certain veterans' or fraternal organizations a  
10 license for not more than a certain number of instant  
11 ticket lottery machines (ITLMs); requiring specific  
12 location of instant ticket lottery machines (ITLMs);  
13 providing for license fees; providing for  
14 distribution of revenue; authorizing the Commission  
15 to promulgate rules; amending 3A O.S. 2011, Section  
16 710, as amended by Section 1, Chapter 172, O.S.L.  
17 2018 (3A O.S. Supp. 2018, Section 710), which relates  
18 to the prohibition of video lottery machines;  
19 modifying definition; providing for codification; and  
20 providing an effective date.

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BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified  
in the Oklahoma Statutes as Section 736 of Title 3A, unless there is  
created a duplication in numbering, reads as follows:

Sections 1 through 5 of this act shall be known and may be cited  
as the "Instant Ticket Lottery Machine Act".

SECTION 2. NEW LAW A new section of law to be codified  
in the Oklahoma Statutes as Section 737 of Title 3A, unless there is  
created a duplication in numbering, reads as follows:

1 As used in the Instant Ticket Lottery Machine Act:

2 1. "Commission" means the Oklahoma Lottery Commission;

3 2. "Instant ticket lottery machine" (ITLM) means an electronic  
4 device that dispenses preprinted instant scratch tickets and  
5 utilizes a touchscreen monitor. The device scans and validates the  
6 barcode on the instant ticket as it is dispensed and displays the  
7 result of the ticket on the touchscreen monitor in an entertaining  
8 fashion. The device accumulates winnings for the player and prints  
9 out a voucher at the conclusion of play that can be redeemed for  
10 cash or inserted into another ITLM for continued play; and

11 3. "Veterans' or fraternal organization" means an organization  
12 that is tax exempt and organized as a veterans' or fraternal  
13 organization under Section 501(c)(19) or Section 501(c)(10) of the  
14 Internal Revenue Code.

15 SECTION 3. NEW LAW A new section of law to be codified  
16 in the Oklahoma Statutes as Section 738 of Title 3A, unless there is  
17 created a duplication in numbering, reads as follows:

18 A. The Oklahoma Lottery Commission may issue a license under  
19 the Instant Ticket Lottery Machine Act for not more than five  
20 instant ticket lottery machines (ITLM) to an applicant that is a  
21 veterans' or fraternal organization.

22 B. A veterans' or fraternal organization that is issued a  
23 license under the Instant Ticket Lottery Machine Act shall locate  
24

1 and operate its ITLM at its principal meeting hall in the county in  
2 which the veterans' or fraternal organization is located.

3 C. All licenses issued pursuant to the Instant Ticket Lottery  
4 Machine Act shall be valid for one (1) year from the date of  
5 issuance and may be renewed annually. The license shall not be  
6 transferable, sold, leased or assigned. The initial and renewal fee  
7 for each license shall be One Hundred Dollars (\$100.00).

8 SECTION 4. NEW LAW A new section of law to be codified  
9 in the Oklahoma Statutes as Section 739 of Title 3A, unless there is  
10 created a duplication in numbering, reads as follows:

11 A. A veterans' or fraternal organization that is issued a  
12 license under the Instant Ticket Lottery Machine Act shall retain a  
13 fifty-percent commission of receipts from the sale of tickets from  
14 the instant ticket lottery machine (ITLM).

15 B. After deduction of the commission by the veterans' or  
16 fraternal organization and validation prize payout, a veterans' or  
17 fraternal organization issued a license under the Instant Ticket  
18 Lottery Machine Act shall credit the remaining receipts from the  
19 sale of tickets from the ITLM to the Oklahoma Education Lottery  
20 Trust Fund.

21 SECTION 5. NEW LAW A new section of law to be codified  
22 in the Oklahoma Statutes as Section 740 of Title 3A, unless there is  
23 created a duplication in numbering, reads as follows:

24

1 The Oklahoma Lottery Commission may promulgate rules necessary  
2 to implement and enforce the provisions of the Instant Ticket  
3 Lottery Machine Act.

4 SECTION 6. AMENDATORY 3A O.S. 2011, Section 710, as  
5 amended by Section 1, Chapter 172, O.S.L. 2018 (3A O.S. Supp. 2018,  
6 Section 710), is amended to read as follows:

7 Section 710. The board of trustees of the Oklahoma Lottery  
8 Commission may promulgate rules regulating the conduct of lottery  
9 games in general, including, but not limited to, rules specifying:

10 1. The type of lottery games to be conducted, including, but  
11 not limited to, instant lotteries and other games traditional to the  
12 lottery;

13 2. The sale price of tickets or shares and the manner of sale.  
14 All sales shall be for cash or debit cards only and payment by  
15 checks, credit cards, charge cards, or any form of deferred payment  
16 is prohibited;

17 3. The number and amount of prizes;

18 4. The method and location of selecting or validating winning  
19 tickets or shares;

20 5. The manner and time of payment of prizes, which may include  
21 lump-sum payments or installments over a period of years;

22 6. The manner of payment of prizes to the holders of winning  
23 tickets or shares, including, without limitation, provision for  
24 payment of prizes by retailers not exceeding Six Hundred Dollars

1 (\$600.00) after deducting the price of the ticket or share and after  
2 performing validation procedures appropriate to the game and as  
3 specified by the board. The board may provide for a limited number  
4 of retailers who can pay prizes of up to Five Thousand Dollars  
5 (\$5,000.00) after performing validation procedures appropriate to  
6 the game and as specified by the board without regard to where the  
7 ticket or share was purchased;

8 7. The frequency of games and drawings or selection of winning  
9 tickets or shares;

10 8. The means of conducting drawings;

11 9. The method to be used in selling tickets or shares;

12 10. The manner and amount of compensation to lottery retailers;

13 and

14 11. Any other matters necessary to ensure the efficient and  
15 effective operation of lottery games, the continued entertainment  
16 and convenience of the public, and the integrity of the lottery.

17 The board of trustees shall not permit the operation of any  
18 lottery game using a video lottery machine. "Video lottery machine"  
19 means ~~any~~ an electronic video game machine that, upon furnishing of  
20 consideration, is available to play or simulate the play of a video  
21 game, including, but not limited to, bingo and games conducted  
22 pursuant to the Oklahoma Charity Games Act, poker, blackjack, slot  
23 machines, pulltab machines, card games, dice, dominos, roulette  
24 wheels, or other similar forms of gambling, or games where winners

1 are determined by the outcome of a sports contest, using a video  
2 display and microprocessors in which the player may receive free  
3 games or credits that can be redeemed for cash, coins or tokens, or  
4 that directly dispenses cash, coins or tokens. "Video lottery  
5 machine" does not mean an instant ticket lottery machine as defined  
6 in the Instant Ticket Lottery Machine Act.

7 SECTION 7. This act shall become effective November 1, 2019.

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9 57-1-5223 SH 01/14/19

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