

1 HOUSE BILL 147

2 **53RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2018**

3 INTRODUCED BY

4 James E. Smith

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9  
10 AN ACT

11 RELATING TO PUBLIC FINANCE; PROVIDING FOR THE ELIMINATION OF  
12 THE THIRTY PERCENT MONTHLY TRANSFER FROM SALE OF LOTTERY GAMES;  
13 PROVIDING A SUNSET AND A RETURN TO THE THIRTY PERCENT TRANSFER  
14 REQUIREMENT FOLLOWING ANY FISCAL YEAR THAT THE NEW MEXICO  
15 LOTTERY AUTHORITY DOES NOT MEET TRANSFER REQUIREMENTS; ALLOWING  
16 THE NEW MEXICO LOTTERY AUTHORITY TO TRANSMIT LOTTERY TUITION  
17 FUNDS ON A MONTHLY BASIS; SETTING A DEADLINE FOR TRANSFER OF  
18 NET REVENUE.

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20 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

21 SECTION 1. Section 6-24-24 NMSA 1978 (being Laws 1995,  
22 Chapter 155, Section 24, as amended) is amended to read:

23 "6-24-24. DISPOSITION OF REVENUE.--

24 A. As nearly as practical, an amount equal to at  
25 least fifty percent of the gross annual revenue from the sale

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1 of lottery tickets shall be returned to the public in the form  
2 of lottery prizes.

3 B. No later than the last business day of each  
4 month, the authority shall transmit ~~[at least twenty-seven~~  
5 ~~percent of the gross revenue of the previous month until~~  
6 ~~December 31, 2008 and at least thirty percent of the gross~~  
7 ~~revenue]~~ the net revenues of the previous month ~~[thereafter]~~ to  
8 the state treasurer, who shall deposit it in the lottery  
9 tuition fund. If the total amount transmitted by the authority  
10 to the state treasurer for any fiscal year is less than  
11 thirty-eight million dollars (\$38,000,000), the authority shall  
12 thereafter be required to transmit at least thirty percent of  
13 each month's gross revenue no later than the last business day  
14 of the following month to the state treasurer, who shall  
15 deposit it in the lottery tuition fund.

16 C. Operating expenses of the lottery include all  
17 costs incurred in the operation and administration of the  
18 lottery and all costs resulting from any contracts entered into  
19 for the purchase or lease of goods or services required by the  
20 lottery, including the costs of supplies, materials, tickets,  
21 independent audit services, independent studies, data  
22 transmission, advertising, promotion, incentives, public  
23 relations, communications, commissions paid to lottery  
24 retailers, printing, distribution of tickets, purchases of  
25 annuities or investments to be used to pay future installments

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~~[bracketed material]~~ = delete

1 of winning lottery tickets, debt service and payment of any  
2 revenue bonds issued, contingency reserves, transfers to the  
3 reserve fund and any other necessary costs incurred in carrying  
4 out the provisions of the New Mexico Lottery Act."

5 SECTION 2. EFFECTIVE DATE.--The effective date of the  
6 provisions of this act is July 1, 2018.