

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 HOUSE BILL 1840

By: Banz

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5
6 AS INTRODUCED

7 An Act relating to lottery; amending 3A O.S. 2011,
8 Section 724, as amended by Section 1, Chapter 161,
9 O.S.L. 2013 (3A O.S. Supp. 2014, Section 724), which
10 relates to lottery prizes; modifying prohibition
11 against certain persons purchasing tickets or shares
12 for certain purposes; directing that certain prize
13 monies be deposited in the Teachers' Retirement
14 System Dedicated Revenue Revolving Fund; and
15 providing an effective date.

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

17 SECTION 1. AMENDATORY 3A O.S. 2011, Section 724, as
18 amended by Section 1, Chapter 161, O.S.L. 2013 (3A O.S. Supp. 2014,
19 Section 724), is amended to read as follows:

20 Section 724. A. Proceeds of any lottery prize shall be subject
21 to the Oklahoma state income tax.

22 B. Attachments, garnishments, or executions authorized and
23 issued pursuant to law shall be withheld if timely served upon the
24 Oklahoma Lottery Commission. This subsection shall not apply to
payment of prizes by a retailer.

1 C. The Commission shall adopt policies and procedures to
2 establish a system of verifying the validity of tickets or shares
3 claimed to win prizes and to effect payment of the prizes, except
4 that:

5 1. No prize, any portion of a prize, or any right of any person
6 to a prize awarded shall be assignable. Any prize or any portion of
7 a prize remaining unpaid at the death of a prize winner shall be
8 paid to the estate of the deceased prize winner or to the trustee of
9 a trust established by the deceased prize winner as settlor if a
10 copy of the trust document or instrument has been filed with the
11 Commission along with a notarized letter of direction from the
12 settlor and no written notice of revocation has been received by the
13 Commission prior to the death of the settlor. Following the death
14 of a settlor and prior to any payment to a successor trustee, the
15 Commission shall obtain from the trustee a written agreement to
16 indemnify and hold the Commission harmless with respect to any
17 claims that may be asserted against the Commission arising from
18 payment to or through the trust. Notwithstanding any other
19 provisions of this section, any person, pursuant to an appropriate
20 judicial order, shall be paid the prize to which a winner is
21 entitled;

22 2. No prize shall be paid arising from claimed tickets that
23 are:
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- 1 a. stolen, counterfeit, altered, fraudulent, unissued,
2 produced or issued in error, unreadable, not received,
3 or not recorded by the Commission within applicable
4 deadlines,
5 b. lacking in captions that conform and agree with the
6 play symbols as appropriate to the particular lottery
7 game involved, or
8 c. not in compliance with such additional public or
9 confidential validation and security tests of the
10 Commission appropriate to the particular lottery game
11 involved;

12 3. No particular prize in any lottery game shall be paid more
13 than once, and in the event of a determination that more than one
14 claimant is entitled to a particular prize, the sole remedy of the
15 claimants is the award to each of them of an equal share in the
16 prize;

17 4. A holder of a winning cash ticket or share from a lottery
18 game shall claim a cash prize within one hundred eighty (180) days,
19 or for a multistate or multisoovereign lottery game within one
20 hundred eighty (180) days, after the drawing in which the cash prize
21 was won. In any Oklahoma lottery game in which the player may
22 determine instantly if the player has won or lost, the player shall
23 claim a cash prize within ninety (90) days, or for a multistate
24 lottery game within one hundred eighty (180) days, after the end of

1 the lottery game. If a valid claim is not made for a cash prize
2 within the applicable period, the cash prize shall constitute an
3 unclaimed prize for purposes of the Oklahoma Education Lottery Act;

4 5. Any person or persons claiming a lottery prize exceeding Six
5 Hundred Dollars (\$600.00) shall provide the Commission with their
6 name, address, social security number, and sufficient valid
7 identification as proof of the same prior to payment of the prize by
8 the Commission; and

9 6. Any person or persons claiming a lottery prize exceeding Six
10 Hundred Dollars (\$600.00) as a trust shall provide for each person
11 entitled to any portion of the prize their name, address, social
12 security number, and sufficient valid identification as proof of the
13 same prior to payment of the prize by the Commission except that
14 such information specified in this paragraph shall be confidential
15 and not subject to the provisions of the Oklahoma Open Records Act.

16 D. No prize shall be paid upon a ticket or share purchased or
17 sold in violation of the Oklahoma Education Lottery Act. Any such
18 prize shall constitute an unclaimed prize for purposes of the
19 Oklahoma Education Lottery Act.

20 E. The Commission is discharged of all liability upon payment
21 of a prize.

22 F. No ticket or share shall be purchased by ~~and no~~ any member
23 of the board of trustees of the Oklahoma Lottery Commission, any
24 officer or employee of the Commission, unless the purchase is made

1 under the direction and control of the Commission as part of an
2 investigative or undercover activity. No prize shall be paid to any
3 member of the board of trustees of the Oklahoma Lottery Commission,
4 any officer or employee of the Commission, ~~or to~~. No ticket or
5 share shall be purchased by and no prize shall be paid to any
6 spouse, child, brother, sister, or parent residing as a member of
7 the same household in the principal place of residence of any ~~such~~
8 ~~person~~ member of the board of trustees of the Oklahoma Lottery
9 Commission. No ticket or share shall be purchased by and no prize
10 shall be paid to any officer, employee, agent, or subcontractor of
11 any vendor or to any spouse, child, brother, sister, or parent
12 residing as a member of the same household in the principal place of
13 residence of any such person if the officer, employee, agent, or
14 subcontractor has access to confidential information which may
15 compromise the integrity of the lottery.

16 G. Unclaimed prize money shall not constitute net lottery
17 proceeds. The first Seven Hundred Fifty Thousand Dollars
18 (\$750,000.00) of unclaimed prize money accruing annually shall be
19 transferred to the Department of Mental Health and Substance Abuse
20 Services for the treatment of compulsive gambling disorder and
21 educational programs related to such disorder. All other unclaimed
22 prize money shall be added to the pool from which future prizes are
23 to be awarded or used for special prize promotions.

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1 H. If a member of the board of trustees of the Oklahoma Lottery
2 Commission, officer or employee of the Commission purchases a
3 winning cash ticket or share from a lottery game in the course of an
4 investigative or undercover activity under the direction and control
5 of the Commission, the full amount of any prize money resulting from
6 such purchase shall be credited to the Teachers' Retirement System
7 Dedicated Revenue Revolving Fund.

8 SECTION 2. This act shall become effective November 1, 2015.

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