

B-Engrossed
House Bill 3389

Ordered by the Senate May 20
Including House Amendments dated April 16 and Senate Amendments
dated May 20

Sponsored by Representative BARKER; Representative SOLLMAN

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Provides that name and address of prize winner of certain lottery games are confidential and may not be publicly disclosed by Oregon State Lottery Commission or Oregon State Lottery unless prize winner provides written authorization for disclosure.

Provides that Oregon State Lottery may pay prize to trustee of trust at request of prize winner.

Authorizes commission to specify service fees that may be charged for lottery tickets or shares.

Prohibits commission from initiating or operating game for which tickets or shares may be purchased via Internet or personal electronic device.

A BILL FOR AN ACT

1
2 Relating to the Oregon State Lottery; creating new provisions; and amending ORS 461.240 and
3 461.250.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 461.250 is amended to read:

6 461.250. Upon recommendation of the Director of the Oregon State Lottery, the Oregon State
7 Lottery Commission shall adopt rules to establish a system of verifying the validity of tickets or
8 shares claimed to win prizes and to effect payment of such prizes, provided:

9 (1) For the convenience of the public, lottery game retailers may be authorized by the commis-
10 sion to pay winners of up to \$5,000 after performing validation procedures on their premises appro-
11 priate to the lottery game involved.

12 (2) A prize may not be paid to a person under 18 years of age.

13 (3) A video lottery game prize may not be paid to a person under 21 years of age.

14 (4) A prize may not be paid arising from claimed tickets or shares that are stolen, counterfeit,
15 altered, fraudulent, unissued, produced or issued in error, unreadable, not received or not recorded
16 by the Oregon State Lottery by applicable deadlines, lacking in captions that confirm and agree with
17 the lottery play symbols as appropriate to the lottery game involved or not in compliance with such
18 additional specific rules or with public or confidential validation and security tests of the lottery
19 appropriate to the particular lottery game involved. However, the commission may adopt rules to
20 establish a system of verifying the validity of claims to prizes greater than \$600 that are otherwise
21 not payable under this subsection due to a lottery game retailer's losing, damaging or destroying the
22 winning ticket or share while performing validation procedures thereon, and to effect payment of
23 verified claims. A verification system established by the commission shall include appropriate public
24 or confidential validation and security tests.

25 (5) A particular prize in any lottery game may not be paid more than once, and in the event of

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 a binding determination that more than one claimant is entitled to a particular prize, the sole rem-
2 edy of such claimants is the award to each of them of an equal share in the prize.

3 (6) The commission may specify that winners of less than \$25 claim such prizes from either the
4 same lottery game retailer who sold the winning ticket or share or from the lottery itself and may
5 also specify that the lottery game retailer who sold the winning ticket or share be responsible for
6 directly paying that prize.

7 (7) Holders of tickets or shares shall have the right to claim prizes for one year after the
8 drawing or the end of the lottery game or play in which the prize was won. The commission may
9 define shorter time periods to claim prizes and for eligibility for entry into drawings involving en-
10 tries or finalists. If a valid claim is not made for a prize payable directly by the lottery commission
11 within the applicable period, the unclaimed prize shall remain the property of the commission and
12 shall be allocated to the benefit of the public purpose.

13 (8)(a) The right of any person to a prize shall not be assignable, except that:

14 (A) Payment of any prize may be made according to the terms of a deceased prize winner's
15 signed beneficiary designation form filed with the commission or, if no such form has been filed, to
16 the estate of the deceased prize winner.

17 (B) Payment of any prize shall be made to a person designated pursuant to an appropriate ju-
18 dicial order or pursuant to a judicial order approving the assignment of the prize in accordance with
19 ORS 461.253.

20 (b) The director, commission and state shall be discharged of all further liability with respect
21 to a specific prize payment upon making that prize payment in accordance with this subsection or
22 ORS 461.253.

23 (9) A ticket or share may not be purchased by, and a prize may not be paid to, a member of the
24 commission, the director, the assistant directors or any employee of the state lottery or to any
25 spouse, child, brother, sister or parent of such person.

26 (10) Payments made according to the terms of a deceased prize winner's signed beneficiary des-
27 ignation form filed with the commission are effective by reason of the contract involved and this
28 statute and are not to be considered as testamentary devices or subject to ORS chapter 112. The
29 director, commission and state shall be discharged of all liability upon payment of a prize.

30 (11) In accordance with the provisions of the Soldiers' and Sailors' Civil Relief Act of 1940 (50
31 U.S.C.A. app. 525), a person while in active military service may claim exemption from the one-year
32 ticket redemption requirement under subsection (7) of this section. However, the person must notify
33 the commission by providing satisfactory evidence of possession of the winning ticket within the
34 one-year period, and must claim the prize or share no later than one year after discharge from ac-
35 tive military service.

36 **(12) The name and address of a prize winner of a multistate numbers drawing lottery**
37 **game offered in more than 30 states as of January 1, 2019, are confidential and may not be**
38 **publicly disclosed by the Oregon State Lottery or the commission unless the prize winner**
39 **provides written authorization for such disclosure.**

40 **(13)(a) The Oregon State Lottery may pay a prize to the trustee of a trust at the written**
41 **request of the prize winner.**

42 **(b) The commission shall adopt rules as necessary to ensure compliance with reporting**
43 **requirements, constitutional requirements or other applicable law when paying a prize to a**
44 **trustee under this subsection.**

45 **SECTION 2.** ORS 461.240 is amended to read:

1 461.240. (1) Upon recommendation of the Director of the Oregon State Lottery, the Oregon State
2 Lottery Commission shall adopt rules specifying the retail sales price for each ticket or share for
3 each lottery game. However, no ticket or share shall be sold for more than the retail sales price
4 established by the commission.

5 (2) Notwithstanding subsection (1) of this section, the commission may specify by rule the retail
6 sales price for tickets or shares that allow a player to manually reveal covered play symbols or may
7 print the retail sales price on the ticket or share.

8 **(3) Notwithstanding subsection (1) of this section, the commission may specify, by rule,**
9 **service fees that may be charged in addition to the retail sales price and any other fees re-**
10 **quired by law. A service fee charged under this subsection may not exceed 30 percent of the**
11 **retail sales price of the ticket or share.**

12 SECTION 3. **The Oregon State Lottery Commission may not initiate or operate a lottery**
13 **game for which tickets or shares may be purchased:**

14 (1) **Via the Internet; or**

15 (2) **Via a personal computer, mobile device or other personal electronic device.**

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