

Regular Session, 2012

SENATE BILL NO. 448

BY SENATOR CROWE

MENTAL HEALTH. Prohibits the Louisiana Lottery Corporation from advertising and provides that monies which were previously allocated to advertising the lottery be appropriated to pay for the treatment of addiction to gambling. (7/1/12)

1 AN ACT

2 To amend and reenact R.S. 47:9002(3), 9029(A)(3), and 9060(A) and to enact R.S.
3 47:9029(E), relative to the Louisiana Lottery Corporation; to prohibit certain
4 expenditures; to prohibit advertising by the Louisiana Lottery Corporation; to
5 provide for certain expenditures; to provide relative to addiction to gambling; and
6 to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:9002(3), 9029(A)(3), and 9060(A) are hereby amended and
9 reenacted and R.S. 47:9029(E) is hereby enacted to read as follows:

10 §9002. Definitions

11 As used in this Subtitle, the following words and phrases shall have the
12 following meanings unless the context clearly requires otherwise:

13 * * *

14 (3) "Major procurement" means any item, product, or service in the amount
15 of one hundred thousand dollars or more, including but not limited to ~~major~~
16 ~~advertising contracts~~, annuity contracts, prize products, and services unique to the
17 Louisiana lottery, but not including materials, supplies, equipment, and services

1 common to the ordinary operations of a corporation.

2 * * *

3 §9029. Deposit of revenues; expenditures and investments authorized; transfer of
4 revenues to state treasury; dedication and use of proceeds;
5 corporation operating account; audit of corporation books and
6 records; audits

7 A. * * *

8 (3) Within twenty days following the close of each calendar month, the
9 corporation shall transfer to the Lottery Proceeds Fund in the state treasury the
10 amount of net revenues which the corporation determines are surplus to its needs.
11 Net revenues or proceeds shall be determined by deducting from gross revenues the
12 payment costs incurred or estimated to be incurred in the operation and
13 administration of the lottery. This shall include the expenses of the corporation and
14 the costs resulting from any contract or contracts entered into for promotional,
15 ~~advertising~~, or operational services or for the purchase or lease of lottery equipment
16 and materials, fixed capital outlays, and the payment of prizes to the holders of
17 winning tickets. After the first year of operation the corporation shall transfer each
18 year not less than thirty-five percent of gross revenues to the state treasury.

19 * * *

20 **E.(1) For the fiscal year beginning July 1, 2012 and ending June 30,**
21 **2013, and for each fiscal year thereafter, the Louisiana Lottery Corporation**
22 **shall not enter into any contracts for advertising nor expend any monies for**
23 **advertising.**

24 **(2) For the fiscal year beginning July 1, 2012 and ending June 30, 2013,**
25 **and each fiscal year thereafter, the amount which was spent on advertising by**
26 **the Louisiana Lottery Corporation in the fiscal year beginning July 1, 2011 and**
27 **ending June 30, 2012, shall be paid into the state treasury and shall be**
28 **appropriated to the Department of Health and Hospitals for the treatment of**
29 **addiction to gambling.**

1 §9060. Purchase, lease, or lease-purchase of goods or services; investigation of
2 prospective vendors; disclosure requirements; prohibited contracts,
3 exceptions; vendor's performance bond, letter of credit or deposit of
4 security; liquidated damages; laws governing contracts

5 A. The corporation may purchase, lease, or lease-purchase such goods or
6 services as are necessary for effectuating the purposes of this Subtitle. Major
7 procurements which are leases, purchases, and lease-purchases shall be reported to
8 the Joint Legislative Committee on the Budget as required by this Subtitle. The
9 corporation shall not contract with any person or entity for the total operation and
10 administration of the state lottery, but it may make procurements which integrate
11 functions such as lottery game design, lottery ticket distribution to retailers; **and**
12 supply of goods and services, ~~and advertising~~. In all procurement decisions, the
13 corporation shall take into account the particularly sensitive nature of the state lottery
14 and shall act to promote and ensure security, honesty, fairness, and integrity in the
15 operation and administration of the lottery and the objectives of raising net proceeds
16 for the benefit of the public.

17 Section 2. This Act shall become effective on July 1, 2012.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Carla S. Roberts.

DIGEST

Present law permits the La. Lottery Corporation to make expenditures for advertising the lottery.

Proposed law prohibits the La. Lottery Corporation from purchasing advertising or entering into any advertising contracts beginning in FY 2012-2013 and each fiscal year thereafter.

Proposed law provides that, for the FY 2012-2013 and each year thereafter, the amount which was spent on advertising by the La. Lottery Corporation in FY 2011-2012 will be paid into the state treasury and shall be appropriated to the Department of Health and Hospitals for the treatment of addiction to gambling.

Effective July 1, 2012.

(Amends R.S. 47:9002(3), 9029(A)(3), and 9060(A); adds R.S. 47:9029(E))