

1 SENATE BILL 283

2 **54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019**

3 INTRODUCED BY

4 Jacob R. Candelaria and John Arthur Smith

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10 AN ACT

11 RELATING TO THE NEW MEXICO LOTTERY; LIMITING THE AMOUNT OF  
12 REVENUE THE NEW MEXICO LOTTERY MAY EXPEND FOR OPERATIONAL  
13 EXPENSES.

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

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

18 "6-24-24. DISPOSITION OF REVENUE.--

19 A. As nearly as practical, an amount equal to at  
20 least fifty percent of the gross annual revenue from the sale  
21 of lottery tickets shall be returned to the public in the form  
22 of lottery prizes.

23 B. No later than the last business day of each  
24 month, the authority shall transmit ~~[at least twenty-seven~~  
25 ~~percent of the gross revenue of the previous month until~~

.212303.2

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[bracketed material] = delete

1 ~~December 31, 2008 and at least thirty percent of the gross] net~~  
2 revenue of the previous month [~~thereafter~~] to the state  
3 treasurer, who shall deposit it in the lottery tuition fund.

4 C. Operating expenses of the lottery include all  
5 costs incurred in the operation and administration of the  
6 lottery and all costs resulting from any contracts entered into  
7 for the purchase or lease of goods or services required by the  
8 lottery, including the costs of supplies, materials, tickets,  
9 independent audit services, independent studies, data  
10 transmission, advertising, promotion, incentives, public  
11 relations, communications, commissions paid to lottery  
12 retailers, printing, distribution of tickets, purchases of  
13 annuities or investments to be used to pay future installments  
14 of winning lottery tickets, debt service and payment of any  
15 revenue bonds issued, contingency reserves, transfers to the  
16 reserve fund and any other necessary costs incurred in carrying  
17 out the provisions of the New Mexico Lottery Act. In fiscal  
18 year 2020, operating expenses shall not be more than seventeen  
19 percent of revenue; in fiscal year 2021, operating expenses  
20 shall not be more than sixteen percent of revenue; and in  
21 fiscal year 2022 and subsequent fiscal years, operating  
22 expenses shall not be more than fifteen percent of revenue."