# A-Engrossed House Bill 3389

Ordered by the House April 16 Including House Amendments dated April 16

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 [*lottery*] 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.

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# A BILL FOR AN ACT

2 Relating to the Oregon State Lottery; amending ORS 461.240 and 461.250.

## **3 Be It Enacted by the People of the State of Oregon:**

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

5 461.250. Upon recommendation of the Director of the Oregon State Lottery, the Oregon State

6 Lottery Commission shall adopt rules to establish a system of verifying the validity of tickets or

7 shares claimed to win prizes and to effect payment of such prizes, provided:

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

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

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

(4) A prize may not be paid arising from claimed tickets or shares that are stolen, counterfeit, 13 altered, fraudulent, unissued, produced or issued in error, unreadable, not received or not recorded 14 by the Oregon State Lottery by applicable deadlines, lacking in captions that confirm and agree with 15 the lottery play symbols as appropriate to the lottery game involved or not in compliance with such 16 17 additional specific rules or with public or confidential validation and security tests of the lottery appropriate to the particular lottery game involved. However, the commission may adopt rules to 18 19 establish a system of verifying the validity of claims to prizes greater than \$600 that are otherwise 20 not payable under this subsection due to a lottery game retailer's losing, damaging or destroying the winning ticket or share while performing validation procedures thereon, and to effect payment of 2122verified claims. A verification system established by the commission shall include appropriate public 23or confidential validation and security tests.

(5) A particular prize in any lottery game may not be paid more than once, and in the event of
a binding determination that more than one claimant is entitled to a particular prize, the sole remedy of such claimants is the award to each of them of an equal share in the prize.

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(6) The commission may specify that winners of less than \$25 claim such prizes from either the 1 2 same lottery game retailer who sold the winning ticket or share or from the lottery itself and may also specify that the lottery game retailer who sold the winning ticket or share be responsible for 3 4 directly paying that prize.

(7) Holders of tickets or shares shall have the right to claim prizes for one year after the 5 drawing or the end of the lottery game or play in which the prize was won. The commission may 6 define shorter time periods to claim prizes and for eligibility for entry into drawings involving en-7 tries or finalists. If a valid claim is not made for a prize payable directly by the lottery commission 8 9 within the applicable period, the unclaimed prize shall remain the property of the commission and shall be allocated to the benefit of the public purpose. 10

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

12(A) Payment of any prize may be made according to the terms of a deceased prize winner's 13 signed beneficiary designation form filed with the commission or, if no such form has been filed, to the estate of the deceased prize winner. 14

15 (B) Payment of any prize shall be made to a person designated pursuant to an appropriate judicial order or pursuant to a judicial order approving the assignment of the prize in accordance with 16 ORS 461.253. 17

18 (b) The director, commission and state shall be discharged of all further liability with respect to a specific prize payment upon making that prize payment in accordance with this subsection or 19 20 ORS 461.253.

(9) A ticket or share may not be purchased by, and a prize may not be paid to, a member of the 2122commission, the director, the assistant directors or any employee of the state lottery or to any 23spouse, child, brother, sister or parent of such person.

(10) Payments made according to the terms of a deceased prize winner's signed beneficiary des-94 ignation form filed with the commission are effective by reason of the contract involved and this 25statute and are not to be considered as testamentary devices or subject to ORS chapter 112. The 2627director, commission and state shall be discharged of all liability upon payment of a prize.

(11) In accordance with the provisions of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 28U.S.C.A. app. 525), a person while in active military service may claim exemption from the one-year 2930 ticket redemption requirement under subsection (7) of this section. However, the person must notify 31 the commission by providing satisfactory evidence of possession of the winning ticket within the 32one-year period, and must claim the prize or share no later than one year after discharge from ac-33 tive military service.

34 (12) The name and address of a prize winner of a multistate numbers drawing lottery game offered in more than 30 states as of January 1, 2019, are confidential and may not be 35publicly disclosed by the Oregon State Lottery or the commission unless the prize winner 36 37 provides written authorization for such disclosure.

38 (13)(a) The Oregon State Lottery may pay a prize to the trustee of a trust at the written request of the prize winner. 39

(b) The commission shall adopt rules as necessary to ensure compliance with reporting 40 requirements, constitutional requirements or other applicable law when paying a prize to a 41 trustee under this subsection. 42

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SECTION 2. ORS 461.240 is amended to read:

461.240. (1) Upon recommendation of the Director of the Oregon State Lottery, the Oregon State 44 Lottery Commission shall adopt rules specifying the retail sales price for each ticket or share for 45

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each lottery game. However, no ticket or share shall be sold for more than the retail sales price
 established by the commission.

3 (2) Notwithstanding subsection (1) of this section, the commission may specify by rule the retail 4 sales price for tickets or shares that allow a player to manually reveal covered play symbols or may 5 print the retail sales price on the ticket or share.

6 (3) Notwithstanding subsection (1) of this section, the commission may specify, by rule, 7 service fees that may be charged in addition to the retail sales price and any other fees re-

8 quired by law. A service fee charged under this subsection may not exceed 30 percent of the

- 9 retail sales price of the ticket or share.
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