

**FIFTY-THIRD LEGISLATURE  
SECOND SESSION, 2018**

January 31, 2018

Mr. Speaker:

Your **EDUCATION COMMITTEE**, to whom has been referred

**HOUSE BILL 147**

has had it under consideration and reports same with recommendation that it **DO PASS**, amended as follows:

1. On page 1, line 14, strike "ANY FISCAL YEAR" and insert in lieu thereof "CERTAIN FISCAL YEARS".

2. On page 1, line 18, after "REVENUE", insert "; PROVIDING FOR UNCLAIMED LOTTERY PRIZES TO REVERT TO THE LOTTERY TUITION FUND".

3. On page 1, between lines 20 and 21, insert the following:

"SECTION 1. Section 6-24-21 NMSA 1978 (being Laws 1995, Chapter 155, Section 21, as amended) is amended to read:

"6-24-21. DRAWINGS FOR AND PAYMENT OF PRIZES--UNCLAIMED PRIZES--APPLICABILITY OF TAXATION.--

A. All lottery prize drawings shall be open to the public. If the prior written approval of the chief executive officer and the executive vice president for security are obtained, the selection of winning entries may be performed by an employee of the lottery. A member of the board shall not perform the selection of a winning entry. Drawings for a prize of more than five thousand dollars (\$5,000) shall be conducted and videotaped by the security division and witnessed by the internal auditor of the authority or [~~his~~] the internal auditor's designee. Promotional drawings for a prize of less than five thousand dollars (\$5,000) are exempt from the requirements of this subsection if prior written approval is given by the chief executive officer and the executive vice president for security. All lottery drawing equipment used in public drawings to select winning numbers or entries or participants for prizes shall be examined and tested by the chief executive officer's staff and the internal auditor of the authority or [~~his~~] the internal auditor's designee prior to and after each public drawing.

B. Any lottery prize is subject to applicable state taxes. The authority shall report to the state and federal taxing authorities any lottery prize exceeding six hundred dollars (\$600).

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C. The authority shall adopt rules, policies and procedures to conduct fair and equitable drawings and establish a system of verifying the validity of tickets claimed to win prizes and to effect payment of such prizes, provided:

(1) no prize shall be paid upon a ticket purchased or sold in violation of the New Mexico Lottery Act. Any such prize shall constitute an unclaimed prize for purposes of this section;

(2) the authority is discharged from all liability upon payment of a prize;

(3) the board may by rule provide for the payment of prizes by lottery retailers, whether or not the lottery retailer sold the winning ticket, whenever the amount of the prize is less than an amount set by board rule. Payment shall not be made directly to a player by a machine or a mechanical or electronic device;

(4) prizes not claimed within the time period established by the authority are forfeited and shall be paid into the [~~prize~~] lottery tuition fund. No interest is due on a prize when a claim is delayed;

(5) the right to a prize is not assignable, but prizes may be paid to a deceased winner's estate or to a person designated by judicial order;

(6) until a signature or mark is placed on a ticket in the area designated for signature, a ticket is owned by the bearer of the ticket, but after a signature or mark is placed on a ticket in the area designated for signature, a ticket is owned by the person whose signature or mark appears, and that person is entitled to any prize attributable to the owner; and

(7) the authority is not responsible for lost or stolen tickets."".

4. Renumber the succeeding sections accordingly.

5. On page 2, line 10, strike "any fiscal year" and insert in lieu thereof "fiscal years 2019 through 2023".,

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and thence referred to the **APPROPRIATIONS & FINANCE  
COMMITTEE.**

Respectfully submitted,

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Stephanie Garcia Richard, Chair

Adopted \_\_\_\_\_  
(Chief Clerk)

Not Adopted \_\_\_\_\_  
(Chief Clerk)

Date \_\_\_\_\_

The roll call vote was 11 For 2 Against

Yes: 11

No: Baldonado, Trujillo, L.

Excused: None

Absent: None

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