

SENATE CORPORATIONS AND TRANSPORTATION COMMITTEE  
SUBSTITUTE FOR SENATE BILL 355

**52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015**

AN ACT

RELATING TO THE NEW MEXICO LOTTERY; CLARIFYING THAT A DEBIT CARD MAY BE USED TO PURCHASE A LOTTERY TICKET; ALLOWING THE NEW MEXICO LOTTERY AUTHORITY TO CONTRACT CERTAIN PROCUREMENT FOR A PERIOD OF UP TO TEN YEARS; REQUIRING THE AUTHORITY TO TRANSMIT THE NET REVENUE FROM THE SALE OF LOTTERY GAMES TO THE LOTTERY TUITION FUND ON A MONTHLY BASIS; REQUIRING THE AUTHORITY TO TRANSMIT EACH YEAR AN AMOUNT THAT IS NO LESS THAN THE AMOUNT THAT WAS TRANSMITTED IN FISCAL YEAR 2015.

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

**SECTION 1.** Section 6-24-15 NMSA 1978 (being Laws 1995, Chapter 155, Section 15) is amended to read:

"6-24-15. LOTTERY TICKETS--SALES.--

A. The price of each lottery ticket shall be clearly stated on the ticket. No person shall sell a ticket at .199889.4

underscored material = new  
[bracketed material] = delete

1 a price other than at the price established by the authority  
2 unless authorized in writing by the chief executive officer.  
3 No person other than a lottery retailer shall sell lottery  
4 tickets, but this subsection shall not be construed to prevent  
5 a person who may lawfully purchase tickets from making a gift  
6 of lottery tickets. Transactions between individuals on a  
7 nonprofit basis are permissible. Nothing in the New Mexico  
8 Lottery Act shall be construed to prohibit the authority from  
9 designating certain of its agents or employees to sell or give  
10 lottery tickets directly to the public.

11 B. Lottery tickets may be given by merchants as a  
12 means of promoting goods or services to customers or  
13 prospective customers.

14 C. Tickets shall not be sold to or purchased by  
15 individuals under eighteen years of age. Persons under  
16 eighteen years of age may receive lottery tickets as gifts.

17 D. Tickets may be purchased only with cash [~~or a~~],  
18 check or debit card and shall not be purchased on credit.

19 E. The names of elected officials shall not appear  
20 on any lottery ticket."

21 SECTION 2. Section 6-24-19 NMSA 1978 (being Laws 1995,  
22 Chapter 155, Section 19, as amended) is amended to read:

23 "6-24-19. PROCUREMENT--COMPETITIVE PROPOSALS.--

24 A. The authority shall enter into a contract for a  
25 procurement after evaluating competitive proposals and shall

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1 not design requests for proposals to provide only for sole  
 2 source contracts. The authority shall conduct its own  
 3 procurement, but the authority shall conduct all procurement in  
 4 accordance with the Procurement Code, except as provided in  
 5 Subsection B of this section. In all procurement decisions,  
 6 the authority shall take into account the particularly  
 7 sensitive nature of the lottery and shall act to promote and  
 8 ensure security, honesty, fairness and integrity in the  
 9 operation and administration of the lottery and the objectives  
 10 of raising revenue for the public purposes of the New Mexico  
 11 Lottery Act. Procurements shall not be artificially divided to  
 12 reduce the cost of the procurement below the procurement  
 13 thresholds provided in the Procurement Code.

14 B. The authority may contract for a period of up to  
 15 ten years for instant ticket printing and computer gaming  
 16 systems to achieve maximum pricing efficiencies."

17 **SECTION 3.** Section 6-24-24 NMSA 1978 (being Laws 1995,  
 18 Chapter 155, Section 24, as amended) is amended to read:

19 "6-24-24. DISPOSITION OF REVENUE.--

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

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

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1 ~~percent of~~] the [~~gross~~] net revenue of the previous month  
2 [~~until December 31, 2008 and at least thirty percent of the~~  
3 ~~gross revenue of the previous month thereafter~~] to the state  
4 treasurer, who shall deposit it in the lottery tuition fund.  
5 By the last day of each July, the authority shall have  
6 transmitted, for the previous fiscal year, no less than the  
7 total amount transmitted in fiscal year 2015.

8 C. Operating expenses of the lottery include all  
9 costs incurred in the operation and administration of the  
10 lottery and all costs resulting from any contracts entered into  
11 for the purchase or lease of goods or services required by the  
12 lottery, including the costs of supplies, materials, tickets,  
13 independent audit services, independent studies, data  
14 transmission, advertising, promotion, incentives, public  
15 relations, communications, commissions paid to lottery  
16 retailers, printing, distribution of tickets, purchases of  
17 annuities or investments to be used to pay future installments  
18 of winning lottery tickets, debt service and payment of any  
19 revenue bonds issued, contingency reserves, transfers to the  
20 reserve fund and any other necessary costs incurred in carrying  
21 out the provisions of the New Mexico Lottery Act."

22 SECTION 4. EFFECTIVE DATE.--The effective date of the  
23 provisions of this act is July 1, 2015.