



Montana Legislative Services Division
Legal Services Office

TO: State Administration and Veterans' Affairs Interim Committee
FROM: K. Virginia Aldrich
DATE: March 26, 2014
RE: Legislative Administrative Rule Review Report

Pursuant to 5-5-228, MCA, the State Administration and Veterans' Affairs Interim Committee is responsible for reviewing administrative rules within its jurisdiction. Staff for the State Administration and Veterans' Affairs Interim Committee has prepared this report for informational purposes only. This report does not represent any action or opinion of the State Administration and Veterans' Affairs Interim Committee and does not preclude additional action that may be taken by the State Administration and Veterans' Affairs Interim Committee pursuant to its authority under the Montana Administrative Procedure Act (Title 2, chapter 4, MCA).

MAR NOTICE NUMBER: 2-63-504

AGENCY/BOARD: State Lottery Commission

RULE CLASSIFICATION: (e.g. substantive/interpretative/emergency/temporary):
Substantive

SUBJECT: Procedural Rules - Definitions - Retailer Commissions - Business Changes - Prizes - License Requirements and Endorsements - Sale of Scratch Tickets.

NOTICE DESCRIPTION: (e.g. proposal notice/adoption notice):
Notice of proposed amendment and repeal

SUMMARY OF RULE(S):

The State Lottery Commission (Commission) proposes to amend five rules and repeal five rules. The Commission previously issued MAR Notice No. 2-63-503 concerning the same subject matter. As noted in the February 2014 meeting of the State Administration and Veterans' Affairs Committee, the Commission intended to update certain rule proposals from that notice for further clarification, grammar, consistency, and comportment with the Montana Administrative Procedure Act. Therefore, this notice restates and updates the rule proposals from MAR Notice No. 2-63-503 prior to their adoption.

Specifically, Rule 2.63.407 is updated to clarify that a lottery retailer is entitled to a 5% base commission. Rule 2.63.607 is updated to note that licensees must notify the Commission of any change, move, or removal of lottery terms, equipment, and/or peripherals pursuant to the contract between the licensee and the Commission. Rule 2.63.203 has been revised to delete superfluous definitions, and the Commission proposes to revise the definition of "terminal issued ticket" rather than deleting it. As noted in the previous memo, the Commission has withdrawn the

proposal for the repeal of Rule 2.63.603, and it no longer appears in the updated notice. The Commission also proposes to update the previously proposed language for Rule 2.63.1201 for grammar and consistency.

Please see the January 24, 2014, memo issued for MAR Notice No. 2-63-503 for more information.

NOTES: (e.g. hearing dates)

A hearing is scheduled on the above referenced rules on April 18, 2014, at 9 a.m., in the Montana Lottery Commission's conference room at 2525 North Montana Avenue in Helena, Montana. The public comment period ends on April 24, 2014.

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