

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 57

BY STATE AFFAIRS COMMITTEE

AN ACT

RELATING TO THE STATE LOTTERY; AMENDING SECTION 67-7404, IDAHO CODE, TO RE-  
VISE THE DEFINITION OF "MAJOR PROCUREMENT."

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 67-7404, Idaho Code, be, and the same is hereby  
amended to read as follows:

67-7404. DEFINITIONS. As used in this chapter:

(1) "Administrative costs" means personnel costs, capital outlay, and  
reasonable expenses incurred by other state agencies to effectuate the pur-  
poses of this chapter.

(2) "Commission" means the Idaho state lottery commission.

(3) "Director" means the director of the lottery.

(4) "Expenses" means all costs of doing business including, but not  
limited to, prizes, commissions and other compensation paid to retailers,  
advertising and marketing costs, personnel costs, capital outlay, reason-  
able expenses incurred by other state agencies to effectuate the purposes of  
this chapter, depreciation of property and equipment, and other operating  
costs, all of which are to be recorded on the accrual basis of accounting in  
accordance with generally accepted accounting principles.

(5) "Lottery" or "state lottery" means the state lottery established  
and operated pursuant to this chapter.

(6) "Lottery contractor" means a person with whom the lottery has con-  
tracted for the purposes of providing goods and services for the state lot-  
tery.

(7) "Lottery game retailer" or "retailer" means a person with whom the  
lottery has contracted for the purpose of selling tickets or shares in lot-  
tery games to the public.

(8) "Lottery revenue" means revenue derived from the sale of lottery  
tickets and shares. Such revenues shall be recorded on the accrual basis of  
accounting in accordance with generally accepted accounting principles.

(9) "Lottery vendor" or "vendor" means any person who submits a bid,  
proposal or offer as part of a major procurement for goods or services as de-  
fined in subsection (11) of this section.

(10) "Low, medium and high tier claims" means the dollar amount of  
prizes awarded in accordance with rules of the state lottery.

(11) "Major procurement" means any contract with a vendor supplying  
lottery tickets or shares, data processing systems utilized to track, sell,  
distribute or validate lottery tickets or shares, any goods or services in-  
volving the determination or generation of winners in any lottery game or any  
auditing services. A major procurement shall be undertaken at all times in  
conformance with the constitution and laws of the state of Idaho, and lottery  
vendors in submitting a bid, proposal or offer as part of a major procure-

1 ment for goods or services as defined in this subsection shall be undertaken  
2 at all times in conformance with the constitution and laws of the state of  
3 Idaho.

4 (12) "Net income" means lottery revenue and nonlottery revenue, less  
5 expenses, as defined in this chapter.

6 (13) "Person" shall be construed to mean and include an individual, as-  
7 sociation, corporation, club, trust, estate, society, company, joint stock  
8 company, receiver, trustee, assignee, referee or any other person acting  
9 in a fiduciary or representative capacity, whether appointed by a court or  
10 otherwise, and any combination of individuals. "Person" shall also be con-  
11 strued to mean and include departments, commissions, agencies and instru-  
12 mentalities of the state of Idaho, including counties and municipalities and  
13 agencies or instrumentalities thereof.

14 (14) "Redemption value" means the sum total of all winnings upon the  
15 ticket presented for payment.

16 (15) "Share" means any intangible evidence of participation in a game  
17 conducted by the state lottery.

18 (16) "Ticket" means any tangible evidence issued by the lottery to pro-  
19 vide participation in a game conducted by the state lottery.

20 (17) "Value" means any ticket shall be taken at face value.