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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. **67**

January 8, 2007

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The bill was read for the first time and referred to the Committee on Commerce and Labor

1.1 A bill for an act
1.2 relating to the state lottery; providing for lottery games to support local parks;
1.3 amending Minnesota Statutes 2006, sections 349A.04; 349A.10, subdivision 5;
1.4 proposing coding for new law in Minnesota Statutes, chapter 349A.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2006, section 349A.04, is amended to read:

1.7 **349A.04 LOTTERY ~~GAME PROCEDURES~~ GAMES.**

1.8 Subdivision 1. Lottery game procedures. The director may adopt game procedures
1.9 governing the following elements of the lottery:

- 1.10 (1) lottery games;
- 1.11 (2) ticket prices;
- 1.12 (3) number and size of prizes;
- 1.13 (4) methods of selecting winning tickets; and
- 1.14 (5) frequency and method of drawings.

1.15 The adoption of lottery game procedures is not subject to chapter 14.

1.16 Subd. 2. Lottery games with parks theme. The director shall ensure that
1.17 one-eighth of all lottery games for which tickets are purchased in each fiscal year have a
1.18 theme of supporting local parks. Net proceeds from the games must be deposited as
1.19 provided in section 349A.10, subdivision 5.

1.20 Sec. 2. Minnesota Statutes 2006, section 349A.10, subdivision 5, is amended to read:

1.21 **Subd. 5. Deposit of net proceeds.** (a) Within 30 days after the end of each month,
1.22 the director shall deposit in the state treasury the net proceeds of the lottery, which is the

2.1 balance in the lottery fund after transfers to the lottery prize fund and credits to the lottery
 2.2 operations account. ~~Of the net proceeds;~~

2.3 (b) 40 percent of the net proceeds must be credited to the Minnesota environment
 2.4 and natural resources trust fund ~~and.~~

2.5 (c) The remainder of the net proceeds solely from the sale of games described in
 2.6 section 349A.04, subdivision 2, must be credited to the local parks support account in
 2.7 the special revenue fund.

2.8 (d) The remainder of any other net proceeds must be credited to the general fund.

2.9 **Sec. 3. [349A.101] LOCAL PARKS SUPPORT ACCOUNT.**

2.10 Subdivision 1. **Account created.** A local parks support account is created in the
 2.11 special revenue fund. All money in the account is appropriated to the commissioner
 2.12 of finance for purposes of subdivision 2.

2.13 Subd. 2. **Application; distribution.** (a) By October 15 of each year, the
 2.14 commissioner shall distribute money in the account to cities that apply to the commissioner
 2.15 for a distribution. A city that contains one or more public parks owned and maintained by
 2.16 the city, or a joint powers board under section 471.59 formed by two or more cities, is
 2.17 eligible to apply to the commissioner for money from the local parks support account.
 2.18 Cities shall apply on a form in a manner prescribed by the commissioner. Cities must
 2.19 apply to the commissioner by September 1, in order to receive a distribution.

2.20 (b) The commissioner must distribute money to a city in proportion to the amount
 2.21 of gross receipts for games described in section 349A.04, subdivision 2, generated in
 2.22 that city in the previous fiscal year. In the case of a joint powers board created by two
 2.23 or more cities, the joint powers board is entitled to an amount proportional to the gross
 2.24 receipts for games described in section 349A.04, subdivision 2, generated in all cities that
 2.25 are parties to the joint powers agreement in the previous fiscal year. The director shall
 2.26 assist the commissioner and provide data necessary for the commissioner to carry out the
 2.27 commissioner's responsibilities under this section.

2.28 Subd. 3. **Use of funds; report.** A city or joint powers board receiving funds under
 2.29 this section may use the funds only for the operation, maintenance, or establishment of
 2.30 public parks owned by the city or by a city that is a member of a joint powers board,
 2.31 including acquisition of real property. Each city or joint powers board receiving funds
 2.32 under this section must report annually to the commissioner on its expenditure of funds
 2.33 under this section. The commissioner may deny future funding under this section to any
 2.34 city or joint powers board if the commissioner determines that the city or joint powers
 2.35 board has violated this subdivision.

- 3.1 Subd. 4. **Reversion to general fund.** Any money remaining in the local parks
3.2 support account on October 15 of any year which the commissioner determines was
3.3 generated in a city or joint powers board in the previous fiscal year, that has not applied
3.4 for funds under subdivision 2, reverts to the general fund.