

5:9-5; 5:9-8, 5:9-9

LEGISLATIVE HISTORY CHECKLIST

NJSA: 5:9-5, 5:9-8, 5:9-9 (State Treasurer—appointed ^{to} Lottery Commission)

LAWS OF: 1983 CHAPTER: 60

Bill No.: A1476

Sponsor(s): Villane and Gormley

Date Introduced: May 24, 1982

Committee: Assembly: Independent Authorities and Commissioners

Senate: State Govt., Federal & Interstate Relations & Veterans Affairs

Amended during passage Yes // Amendments during passage denoted by asterisks.

Date of Passage: Assembly: Oct. 25, 1982

Senate: Dec. 20, 1982

Date of Approval: Feb. 7, 1983

Following statements are attached if available:

Sponsor statement: Yes //

Committee statement: Assembly Yes //

Senate Yes //

Fiscal Note: /// No

Veto Message /// No

Message on Signing: /// No

Following were printed:

Reports: /// No

Hearings: /// No

See attached: Minutes of State Lottery Commission meetings 12-21-82 and 7-29-82. (A1476 identical to S1321).

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2-7-82
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ASSEMBLY, No. 1476

STATE OF NEW JERSEY

INTRODUCED MAY 24, 1982

By Assemblymen VILLANE and GORMLEY

AN ACT to amend the "State Lottery Law," approved
February 16, 1970 (P. L. 1970, c. 13).

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. Section 5 of P. L. 1970, c. 13 (C. 5:9-5) is amended to read
2 as follows:

3 5. The commission shall consist of *the State Treasurer and*
4 ***[five]*** **six* public* members, all of whom shall be citizens and
5 residents of this State and all of whom shall be appointed by the
6 Governor by and with the advice and consent of the Senate. No
7 more than three of the ***[five]*** **six* public* members shall be
8 members of the same political party. The *public* members shall be
9 appointed for terms of 5 years, except that of the members first
10 appointed, one shall be appointed for a term of 1 year, one for a
11 term of 2 years, one for a term of 3 years, one for a term of 4 years,
12 and one for a term of 5 years, commencing as of the date of their
13 appointment by the Governor. The term of each of the members
14 first appointed shall be designated by the Governor. **The term of*
15 *the additional public member appointed pursuant to this 1982*
16 *amendatory act shall be five years.** The members shall, annually,
17 elect one of **[them]** *the public members* as chairman of the com-
18 mission **and shall also annually elect one of the public members*
19 *as vice chairman of the commission*.*

20 Any vacancy in the commission occurring for any reason other
21 than the expiration of term, shall be filled for the unexpired term in
22 the same manner as the original appointment.

23 Any *public* member of the commission may be removed from office

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill
is not enacted and is intended to be omitted in the law.**

Matter printed in italics thus is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

***—Assembly committee amendments adopted October 18, 1982.**

24 by the Governor, for cause, upon notice and opportunity to be heard
25 at a public hearing.

26 The *public* members of the commission shall receive no salaries
27 but shall be allowed reasonable expenses incurred in the perform-
28 ance of their official duties in an amount not exceeding \$5,000.00
29 per annum in the case of the chairman, and \$3,500.00 in the case
30 of each of the other commissioners.

31 *The State Treasurer may designate an officer or employee of*
32 *his department to represent him at meetings of the commission who*
33 *may lawfully vote and otherwise act on behalf of the Treasurer.*
34 *Any designation shall be in writing, delivered to the commission and*
35 *filed with the Secretary of State and shall continue in effect, unless*
36 *by its terms it is made for a fixed period, until revoked or amended*
37 *in the same manner as provided for the designation.*

1 2. Section 8 of P. L. 1970, c. 13 (C. 5:9-8) is amended to read as
2 follows:

3 8. The director shall have the power, and it shall be his duty to:

4 a. Supervise and administer the operation of the lottery in
5 accordance with the provisions of this act and with the rules and
6 regulations of the commission.

7 b. Subject to the approval of the commission, appoint such
8 deputy directors as may be required to carry out the functions
9 and duties of the division, which deputy directors shall be in the
10 unclassified service of the civil service.

11 c. Subject to the approval of the commission and Title 11 of
12 the Revised Statutes, Civil Service, appoint such professional,
13 technical and clerical assistants and employees as may be neces-
14 sary to perform the duties imposed upon the division by this act.

15 d. Act as secretary and executive officer of the commission.

16 e. In accordance with the provisions of this act and the rules
17 and regulations of the commission, to license as agents to sell
18 lottery tickets such persons as in his opinion will best serve the
19 public convenience and promote the sale of tickets or shares. The
20 director may require a bond from every licensed agent, in such
21 amount as provided in the rules and regulations of the commis-
22 sion. Every licensed agent shall prominently display his license,
23 or a copy thereof, as provided in the rules and regulations of the
24 commission.

25 f. Shall confer regularly as necessary or desirable and not
26 less than once every month with the commission on the operation
27 and administration of the lottery; shall make available for in-
28 spection by the commission, upon request, all books, records, files,
29 and other information and documents of the division; shall advise

30 the commission and recommend such matters as he deems necessary
 31 and advisable to improve the operation and administration of the
 32 lottery.

33 g. Suspend or revoke any license issued pursuant to this act
 34 or the rules and regulations promulgated thereunder.

35 h. Subject to the approval of the commission and the applicable
 36 laws relating to public contracts, to **[enter into contracts for the**
 37 **operation of the lottery, or any part thereof, and into contracts**
 38 **for the promotion of the lottery]** *act on behalf of the commission*
 39 *as using agency with respect to purchases made by the Division*
 40 *of Purchase and Property of goods and services required in the*
 41 *operation of the lottery. [No contract awarded or entered into by*
 42 *the director may be assigned by the holder thereof except by*
 43 *specific approval of the commission.]*

44 i. To certify monthly to the State Treasurer and the commission
 45 a full and complete statement of lottery revenues, prize disburse-
 46 ments and other expenses for the preceding month.

1 3. Section 9 of P. L. 1970, c. 13 (C. 5:9-9) is amended to read
 2 as follows:

3 9. No action of the commission shall be binding unless taken at
 4 a meeting at which at least **[three]** *four* of the **[five]** ***[six]***
 5 ***seven*** members are present and shall vote in favor thereof. The
 6 minutes of every meeting of the commission, including any rules
 7 and regulations promulgated by the commission or any amend-
 8 ments, revisions, supplements or repeal thereof, shall be forthwith
 9 transmitted, by and under the certification of the secretary thereof,
 10 to the Governor at the Executive Chamber, State House, Trenton.
 11 The Governor shall, within 10 days after said minutes shall have
 12 been so delivered, cause the same to be returned to the commission
 13 either with or without his veto on any action therein recited as
 14 having been taken by the commission. If the Governor shall not
 15 return the minutes within said 10 days, any action recited therein
 16 shall have force and effect according to the wording thereof.

1 4. This act shall take effect immediately.

33 g. Suspend or revoke any license issued pursuant to this act
34 or the rules and regulations promulgated thereunder.

35 h. Subject to the approval of the commission and the applicable
36 laws relating to public contracts, to **[**enter into contracts for the
37 operation of the lottery, or any part thereof, and into contracts
38 for the promotion of the lottery**]** *act on behalf of the commission*
39 *as using agency with respect to purchases made by the Division*
40 *of Purchase and Property of goods and services required in the*
41 *operation of the lottery. **[**No contract awarded or entered into by*
42 *the director may be assigned by the holder thereof except by*
43 *specific approval of the commission.**]***

44 i. To certify monthly to the State Treasurer and the commission
45 a full and complete statement of lottery revenues, prize disburse-
46 ments and other expenses for the preceding month.

1 3. Section 9 of P. L. 1970, c. 13 (C. 5:9-9) is amended to read
2 as follows:

3 9. No action of the commission shall be binding unless taken at
4 a meeting at which at least **[three]** *four* of the **[five]** *six* members
5 are present and shall vote in favor thereof. The minutes of every
6 meeting of the commission, including any rules and regulations
7 promulgated by the commission or any amendments, revisions,
8 supplements or repeal thereof, shall be forthwith transmitted, by
9 and under the certification of the secretary thereof, to the Governor
10 at the Executive Chamber, State House, Trenton. The Governor
11 shall, within 10 days after said minutes shall have been so delivered,
12 cause the same to be returned to the commission either with or
13 without his veto on any action therein recited as having been taken
14 by the commission. If the Governor shall not return the minutes
15 within said 10 days, any action recited therein shall have force and
16 effect according to the wording thereof.

1 4. This act shall take effect immediately.

STATEMENT

The purpose of this bill is to add the State Treasurer as a member of the Lottery Commission in order to reflect his interest in the operation of the lottery as a major State revenue source. It provides for official action to be taken only upon vote of four members of the commission as so constituted. The bill also makes clear that purchase of goods and services for the operation of the lottery are required to be made by the Division of Purchase and Property on behalf of the Lottery Commission, as using agency, under the general State purchase statute, N. J. S. A. 52:34-6 et seq.

A1476(1982)

ASSEMBLY INDEPENDENT AUTHORITIES AND
COMMISSIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1476

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: OCTOBER 18, 1982

As amended, this bill adds the State Treasurer and another public member to the State Lottery Commission. At present, the commission consists of five public members. The amended bill specifies that the additional public member shall be appointed for a five-year term and that the commission shall annually elect one of its public members to be chairman and one to be vice chairman.

The bill also makes clear that the purchase of goods and services for the operation of the lottery is to be made by the Division of Purchase and Property on behalf of the Lottery Commission, as using agency, under the general State purchase statute (N. J. S. A. 52:34-6 et seq.).

This bill, as amended, is identical to Senate Bill No. 1321, 20CR and has the support of the State Treasurer, the Executive Director of the State Lottery, and the Lottery Commission.

COMMITTEE ACTION

The committee amended the bill to conform it to Senate Bill No. 1321, 20CR. As introduced, the assembly bill added the State Treasurer to the Lottery Commission. The committee amendments (1) add another public member to the commission, thus increasing the public membership from five to six for a total commission membership of seven; (2) specify that the additional public member shall be appointed for a five-year term; and (3) specify that the commission shall annually elect one of the public members as the vice chairman (the law already specifies that the chairman is to be elected annually; the bill restricts that election to choosing one of the public members).

SENATE STATE GOVERNMENT, FEDERAL AND
INTERSTATE RELATIONS AND VETERANS AFFAIRS
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 1476

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STATE OF NEW JERSEY

DATED: DECEMBER 13, 1982

This bill increases the membership of the State Lottery Commission from five to seven by adding a sixth public member and the State Treasurer. The term of the new public member shall be for five years. The chairman and vice chairman of the commission shall annually be elected from among the public members.

The bill also provides that the purchase of goods and services for the lottery's operation shall be made by the Division of Purchase and Property on behalf of the Lottery Commission.

State Lottery Commission Minutes 7/29/82

EX-OFFICIO LEGISLATION

Commissioner Valk indicated that Senate Bill 1321 was modified to add the Treasurer as one of the Commissioners for the New Jersey State Lottery and to change the legislation regarding approval of contracts. Commissioner Valk recommended that the legislation be modified again to read "The Commission shall consist of six public members and the State Treasurer. Also, the section that reads "The members shall, annually, elect one of the public members as chairman of the Commission" should have the following words added: "and one as vice-chairman."

Also section 38 as it reads now, allows the Division of Purchase and Property the ability to enter into a contract without the Lottery Director's approval. Commissioner Valk recommended that section 38 revert back to the original writing of the bill.

The Director indicated that she will contact Legislative Services and have this bill reintroduced with the above mentioned changes. A copy of the revised bill will be provided to the Commission at the next meeting.

Upon motion duly made by Commissioner Valk and seconded by Commissioner Cicalese, it was unanimously;

RESOLVED that the Senate Bill 1321 be resubmitted with the above mentioned changes.

RULES AND REGULATIONS - CASH FOR LIFE

The Director reported that the rules and regulations for the new instant game "Cash for Life" had been presented to the Commission for their approval.

State Lottery Commission Minutes 12/21/82

MARKETING

Deputy Director William Mulcahy reported that the ticket sales continue to increase. Pick-4 ticket sales have shown an increase due to the fact that the drawing is now held three times per week.

The Chairman requested that the staff continue to investigate a possible subscription program for the Pick-6 Lotto game.

The Director presented a revision on the Pick-6 Lotto Rules and Regulations to include a bonus award of \$1,000 to the lottery agent selling the Pick-6 Lotto top prize.

Upon motion duly made by Commissioner Valk and seconded by Commissioner Cicalese, it was unanimously;

RESOLVED that the addition of a Pick-6 rule be adopted to read as follows:

"The agent(s) selling a winning 6/6 Pick-6 Lotto ticket shall receive a \$1,000 bonus from the Lottery. The bonus shall be paid for each winning 6/6 ticket sold.

The bonus shall be made effective as of October 7, 1982, the date of the first Pick-6 Lotto drawing under the annuity prize structure."

ADVERTISING

Glee Duff, Keyes Martin Advertising, stated that when the Pick-6 Lotto top prize moves up, an ad program is implemented promoting the amount of the top prize.

LEGISLATION

Deputy Director Judy Shaw Berry reported that she had spoken with the Commissioners regarding the Senate State Government Committee hearing held this week. She stated that the Attorney General testified, along with a representative from Legislative Services.

Deputy Director Shaw indicated that the legislative bill adding the Treasurer to the Lottery Commission came up on the board and there does not seem to be any problem.

Deputy Director Shaw also reported that she is currently preparing a year end statement regarding lottery legislation. This will be forwarded to them upon completion.

Chairman Palley requested that the Director keep the Commissioners informed of the happenings at the Lottery as much as possible.

Upon motion duly made by Commissioner Cicalese and seconded by Commissioner Valk, it was unanimously;

RESOLVED that the meeting be and was adjourned as of 2:15 p.m.