WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1997

ENROLLED
Committee Substitute for
SENATE BILL NO. 332

(By Senator OLIVERIO, ET AL.)

PASSED April 3, 1997
In Effect July 1, 1997
AN ACT to amend and reenact sections ten and sixteen, article twenty-two, chapter twenty-nine of the code of West Virginia, one thousand nine hundred thirty-one, as amended, all relating to lottery sales agents; providing for an increase in lottery sales agent commissions; and providing for payment of the increased commissions from unclaimed prize funds.

Be it enacted by the Legislature of West Virginia:

That sections ten and sixteen, article twenty-two, chapter twenty-nine of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted, all to read as follows:
ARTICLE 22. STATE LOTTERY ACT.

§29-22-10. Licensed lottery sales agents; restrictions; annual license and fee; factors; application; bond; age; nonassignable license; organizations qualified; commissions; display of license; geographic distribution; monopoly prohibited; lottery retailers; preprinted instant type lottery tickets; fee; certificate of authority; security; bond.

(a) The commission shall propose rules for legislative approval in accordance with the provisions of article three, chapter twenty-nine-a of this code, for the licensing of lottery sales agents for the sale and dispensing of lottery tickets, materials and lottery games, and the operations of electronic computer terminals therefor, subject to the following:

(1) The commission shall issue its annual license to the lottery sales agents for each lottery outlet and for such fee as is established by the commission to cover its costs thereof, but not to exceed one thousand dollars. Application for licensing as a lottery sales agent shall be on forms to be prescribed and furnished by the director.

(2) No licensee may engage in business exclusively as a lottery sales agent.

(3) The commission shall ensure geographic distribution of lottery sales agents throughout the state.

(4) Before issuance of a license to an applicant, the commission shall consider factors such as the financial responsibility, security, background, accessibility of the place of business or activity to the public, public convenience and the volume of expected sales.

(5) No person under the age of twenty-one may be licensed as an agent. No licensed agent may employ any person under the age of eighteen for sales or dispensing of lottery tickets or materials or operation of a lottery terminal.

(6) A license is valid only for the premises stated thereon.
30. (7) The director may issue a temporary license when
determined necessary.
32. (8) A license is not assignable or transferable.
33. (9) Before a license is issued, an agent shall be bonded
for an amount and in the form and manner to be deter-
mined by the director, or shall provide such other security,
in an amount, form and manner determined by the
director, as will ensure the performance of the agent's
duties and responsibilities as a licensed lottery agent or
the indemnification of the commission.
40. (10) The commission may issue licenses to any legitimate
business, organization, person or entity, including, but not
limited to, civic or fraternal organizations; parks and
recreation commissions or similar authorities; senior-
citizen centers, state-owned stores, persons lawfully
engaged in nongovernmental business on state property,
persons lawfully engaged in the sale of alcoholic bever-
ages; political subdivisions or their agencies or depart-
ments, state agencies, commission-operated agencies;
persons licensed under the provisions of article twenty-
three, chapter nineteen of this code, and religious, charita-
bles or seasonal businesses.
52. (11) Licensed lottery sales agents shall receive six and
one quarter percent of gross sales as commission for the
performance of their duties: Provided, That a portion of
the commission not to exceed one and one quarter percent
of gross sales may be paid from unclaimed prize moneys
accumulated under section sixteen of this article. In
addition, the commission may promulgate a bonus-
incentive plan as additional compensation not to exceed
one percent of annual gross sales. The method and time of
payment shall be determined by the commission.
62. (12) Licensed lottery sales agents shall prominently
display the license on the premises where lottery sales are
made.
65. (13) No person or entity or subsidiary, agent or subcon-
tractor thereof may receive or hold more than twenty-five
percent of the licenses to act as licensed lottery sales agent
in any one county or municipality nor more than five
percent of the licenses issued throughout this state:

Provided, That the limitations of twenty-five percent and five percent in this subdivision do not apply if it is determined by the commission that there are not a sufficient number of qualified applicants for licenses to comply with these requirements.

(b) The commission shall propose rules for legislative approval in accordance with the provisions of article three, chapter twenty-nine-a of this code, specifying the terms and conditions for contracting with lottery retailers for sale of preprinted instant type lottery tickets and may provide for the dispensing of such tickets through machines and devices. Tickets may be sold or dispensed in any public or private store, operation or organization, without limitation. The commission may establish an annual fee not to exceed fifty dollars for such persons, per location or site, and shall issue a certificate of authority to act as a lottery retailer to such persons. The commission shall establish procedures to ensure the security, honesty and integrity of the lottery and distribution system. The commission shall establish the method of payment, commission structure, methods of payment of winners, including payment in merchandise and tickets, and may require prepayment by lottery retailers, require bond or security for payment and require deposit of receipts in accounts established therefor. Retailers shall prominently display the certificate of authority issued by the commission on the premises where lottery sales are made.


Unclaimed prize money for the prize on a winning ticket shall be retained by the director for the person entitled thereto for one hundred eighty days after the drawing in which the prize was won or for one hundred eighty days after the announced end of a game. If no claim is made for said money within one hundred eighty days, the prize money reverts to the state lottery fund for the purposes of paying a portion of the sales commission to lottery sales agents pursuant to section ten of this article or for awarding additional prizes. The commission shall promulgate rules for the awarding of additional prizes.
That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the Senate.
To take affect July 1, 1997.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within is approved this the day of , 1997.

Governor