

State of South Dakota

SEVENTY-SIXTH SESSION
LEGISLATIVE ASSEMBLY, 2001

195E0591

HOUSE BILL NO. 1267

Introduced by: Representatives McCaulley, Begalka, Brown (Richard), Elliott, Hennies (Don), Jensen, Juhnke, Koistinen, Konold, Kooistra, Lintz, Murschel, Napoli, Peterson (Bill), Rhoden, Valandra, Van Gerpen, and Wick

1 FOR AN ACT ENTITLED, An Act to eliminate the confidentiality provisions concerning
2 video lottery information and require certain reports.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 42-7A-50 be amended to read as follows:

5 42-7A-50. Information and records of the South Dakota Lottery are confidential, except for
6 official purposes, and may not be disclosed except to officers, employees, or legal representatives
7 of the Department of Revenue for the purpose of and only to the extent necessary in the
8 investigation and audit procedures authorized by Title 10 or in accordance with a judicial order.
9 No person may use a subpoena, discovery, or other applicable statutes to obtain such information
10 or records. Information and records considered confidential include:

11 (1) Applications, credit, and security checks of lottery retailers, licensees, and persons
12 seeking or doing business with the lottery;

13 (2) ~~Marketing, financial, or sales data, the disclosure of which may be harmful to the~~
14 ~~competitive position of the South Dakota Lottery, its retailers, licensees, or persons~~

1 ~~seeking or doing business with the lottery;~~

2 (3) Audit work papers, worksheets, and auditing procedures used by the lottery, its agent,
3 or employees; and

4 (4) Tax returns of individual licensees.

5 Section 2. That chapter 42-7A be amended by adding thereto a NEW SECTION to read as
6 follows:

7 The provisions of § 42-7A-50 do not apply to the name of any video lottery licensee,
8 including:

9 (1) If the licensee is a privately owned business, the name of the owner;

10 (2) If the licensee is a partnership, the name of any partner; and

11 (3) If the licensee is an association or corporation, the name of the manager, director, or
12 officer and the name of any stockholder who owns five percent or more of the stock
13 in the association or a parent or subsidiary corporation.

14 Section 3. That chapter 42-7A be amended by adding thereto a NEW SECTION to read as
15 follows:

16 The provisions of § 42-7A-50 do not apply to this section. A video lottery licensee shall file
17 with the South Dakota Lottery at the time of license renewal:

18 (1) The number of video lottery machines owned by the licensee;

19 (2) The number of video lottery machines sold by the licensee;

20 (3) The percentage of the video lottery net machine income that the licensee received in
21 the past license year; and

22 (4) The licensee's net income from the sale, lease, use, maintenance, and service directly
23 attributable to the licensee's video lottery operations within the State of South
24 Dakota.