

**Introduced by Committee on Governmental Organization (Senators Wright (Chair), Benoit, Calderon, Denham, Florez, Harman, Negrete McLeod, Oropeza, Padilla, Romero, Wiggins, Wyland, and Yee)**

March 19, 2009

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An act to amend Section 8880.321 of the Government Code, relating to the California State Lottery.

LEGISLATIVE COUNSEL'S DIGEST

SB 831, as introduced, Committee on Governmental Organization. California State Lottery: multistate lottery.

The California State Lottery Act of 1984, enacted by initiative, authorizes a California State Lottery and provides for its operation and administration by the California State Lottery Commission and the Director of the California State Lottery, with certain limitations. The act gives a player the right to claim prize money for 180 days after a lottery drawing.

This bill would give a player up to one year to claim prize money for a jackpot or grand prize won in a multistate lottery game.

The California State Lottery Act of 1984 provides that none of its provisions may be changed except to further its purpose by a bill passed by a  $\frac{2}{3}$  vote of each house of the Legislature and signed by the Governor.

This bill would declare that its provisions further the purpose of the act.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 8880.321 of the Government Code is  
2 amended to read:

3 8880.321. The commission shall promulgate regulations to  
4 establish a system of verifying the validity of prizes and to effect  
5 payment of the prizes, provided that:

6 (a) For convenience of the public, lottery game retailers may  
7 be authorized by the commission to pay winners of up to six  
8 hundred dollars (\$600) after performing validation procedures on  
9 their premises appropriate to the lottery game involved.

10 (b) No prize may be paid arising from tickets or shares that are  
11 stolen, counterfeit, altered, fraudulent, unissued, produced or issued  
12 in error, unreadable, not received or not recorded by the lottery by  
13 applicable deadlines, lacking in captions that confirm and agree  
14 with the lottery play symbols required by the lottery game involved,  
15 purchased by a minor, or not in compliance with additional specific  
16 rules and regulations and confidential validation and security tests  
17 appropriate to the particular lottery game. The lottery may pay a  
18 prize even though the actual winning ticket is not received by the  
19 lottery if the lottery validates the claim for the prize based upon  
20 substantial proof. “Substantial proof” means any evidence that  
21 would permit the lottery to use established validation procedures,  
22 as specified in lottery regulations, to validate the claim.

23 The commission may require that any form relating to a claim  
24 for a prize shall be signed under penalty of perjury. This declaration  
25 shall meet the requirements of Section 2015.5 of the Code of Civil  
26 Procedure.

27 (c) No particular prize in any lottery game shall be paid more  
28 than once.

29 (d) The commission may specify that winners of less than  
30 twenty-five dollars (\$25) claim the prizes from either the same  
31 lottery game retailer from whom the ticket or share was purchased  
32 or from the lottery itself.

33 (e) Players shall have the right to claim prize money for 180  
34 days after the drawing or the end of the lottery game or play in  
35 which the prize was won, *or, if a multistate lottery game, up to*  
36 *one year for jackpots and grand prizes.* The commission may  
37 define shorter time periods for eligibility for participation in, and  
38 entry into, drawings involving entries or finalists. If a valid claim

1 is not made for a prize directly payable by the commission or for  
2 any on-line game prize within the period applicable for that prize,  
3 the unclaimed prize money shall be treated as set forth in  
4 subdivision (c) of Section 8880.4 or, commencing with the  
5 2009–10 fiscal year, be treated as total revenues as set forth in  
6 Section 8880.4.5.

7 (f) After the expiration of the claim period for prizes for each  
8 lottery game, the commission shall make available a detailed  
9 tabulation of the total number of tickets or shares actually sold in  
10 a lottery game and the total number of prizes of each prize  
11 denomination that were actually claimed and paid directly by the  
12 commission.

13 (g) A ticket or share shall not be purchased by, and a prize shall  
14 not be paid to, a member of the commission, any officer or  
15 employee of the commission, any officer or employee of the  
16 Controller who is designated in writing by the Controller as having  
17 possible access to confidential lottery information, programs, or  
18 systems, or any spouse, child, brother, sister, or parent of that  
19 person who resides within the same household of the person. Any  
20 person who knowingly sells or purchases a ticket or share in  
21 violation of this section, or who knowingly claims or attempts to  
22 claim a prize with a ticket or share that was purchased or sold in  
23 violation of this section, is guilty of a misdemeanor.

24 (h) No prize shall be paid to any person under the age of 18  
25 years. Any person who knowingly claims or attempts to claim a  
26 prize with a ticket or share purchased by a person under the age  
27 of 18 years is guilty of a misdemeanor.

28 SEC. 2. The Legislature finds and declares that this act furthers  
29 the purpose of the California State Lottery Act of 1984, enacted  
30 by Proposition 37 at the November 6, 1984, general election.