

1.1 moves to amend H.F. No. 3623 as follows:

1.2 Page 2, after line 3 insert:

1.3 "Sec. 2. Minnesota Statutes 2016, section 349A.06, subdivision 11, is amended to read:

1.4 Subd. 11. **Cancellation, suspension, and refusal to renew contracts or locations.** (a)

1.5 The director shall cancel the contract of any lottery retailer or prohibit a lottery retailer from
1.6 selling lottery tickets at a business location who:

1.7 (1) has been convicted of a felony or gross misdemeanor;

1.8 (2) has committed fraud, misrepresentation, or deceit;

1.9 (3) has provided false or misleading information to the lottery; or

1.10 (4) has acted in a manner prejudicial to public confidence in the integrity of the lottery.

1.11 (b) The director may cancel, suspend, or refuse to renew the contract of any lottery
1.12 retailer or prohibit a lottery retailer from selling lottery tickets at a business location who:

1.13 (1) changes business location;

1.14 (2) fails to account for lottery tickets received or the proceeds from tickets sold;

1.15 (3) fails to remit funds to the director in accordance with the director's rules;

1.16 (4) violates a law or a rule or order of the director;

1.17 (5) fails to comply with any of the terms in the lottery retailer's contract;

1.18 (6) fails to file a bond, securities, or a letter of credit as required under subdivision 3;

1.19 (7) in the opinion of the director fails to maintain a sufficient sales volume to justify
1.20 continuation as a lottery retailer; ~~or~~

1.21 (8) has violated section 340A.503, subdivision 2, clause (1), two or more times within
1.22 a two-year period; or

2.1 (9) has violated the rules adopted pursuant to subdivision 6, clause (1), requiring a lottery
2.2 retailer to retain appropriate amounts from gross receipts from the sale of lottery tickets in
2.3 order to pay prizes to holders of winning tickets, three or more times within a one-year
2.4 period.

2.5 (c) The director may also cancel, suspend, or refuse to renew a lottery retailer's contract
2.6 or prohibit a lottery retailer from selling lottery tickets at a business location if there is a
2.7 material change in any of the factors considered by the director under subdivision 2.

2.8 (d) A contract cancellation, suspension, refusal to renew, or prohibiting a lottery retailer
2.9 from selling lottery tickets at a business location under this subdivision is a contested case
2.10 under sections 14.57 to 14.69 and is in addition to any criminal penalties provided for a
2.11 violation of law or rule.

2.12 (e) The director may temporarily suspend a contract or temporarily prohibit a lottery
2.13 retailer from selling lottery tickets at a business location without notice for any of the reasons
2.14 specified in this subdivision provided that a hearing is conducted within seven days after a
2.15 request for a hearing is made by a lottery retailer. Within 20 days after receiving the
2.16 administrative law judge's report, the director shall issue an order vacating the temporary
2.17 suspension or prohibition or making any other appropriate order. If no hearing is requested
2.18 within 30 days of the temporary suspension or prohibition taking effect, the suspension or
2.19 prohibition becomes permanent unless the director vacates or modifies the order.

2.20 (f) A lottery retailer whose contract was solely canceled, suspended, or not renewed
2.21 pursuant to paragraph (b), clause (9), may petition the director to reinstate a canceled or
2.22 suspended contract, or enter into a new contract, after two years have passed since the order
2.23 took effect."

2.24 Renumber the sections in sequence and correct the internal references

2.25 Amend the title accordingly