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Overview

This bill sets lottery retailer compensation in statute. Currently, compensation amounts are established through administrative rules.

Section

- 1** **Rules.** Permits the director of the state lottery to adopt rules related to the compensation of lottery retailers consistent with the new standards established in this bill.
- 2** **Lottery retailer commissions.** Establishes the minimum amount of compensation for lottery retailers. Under current rules, retailers receive a commission of 5.5% of the price of each ticket sold and a commission of 1% on the amount of each winning ticket cashed by the retailer. The bill provides for payment of 5.5% on the price of a ticket sold for a lottery game in which the winner is determined by a drawing, 6.25% on the price of a ticket sold for a lottery game in which the winner is determined without a drawing, and 2% of the amount of a winning ticket cashed by the retailer.

Further requires the director of the state lottery to periodically review lottery ticket sales and adjust the commission rates to maintain appropriate return to the state.

The section is effective August 1, 2018 and applies to tickets sold on or after that date.
- 3** **Transition.** Requires the director of the state lottery to amend rules to comply with the new provisions for compensation of lottery retailers. Clarifies that compensation for tickets sold before August 1, 2018 remain as provided under the law or rule in effect on the date of sale.
- 4** **Repealer.** Repeals Minnesota Statutes section 349A.16 which required an increase to commission rates for lottery retailers in 1998.