

1 H.595

2 Introduced by Representatives Stevens of Waterbury, Moran of Wardsboro,

3 O'Sullivan of Burlington, Weed of Enosburgh, and Zagar of

4 Barnard

5 Referred to Committee on

6 Date:

7 Subject: Internal security and public safety; Agency of Controlled Substances

8 Statement of purpose of bill as introduced: This bill proposes to establish the

9 Agency of Controlled Substances to enforce the laws relating to alcohol,

10 tobacco, horse racing, the State Lottery, boxing, and games of chance.

11 An act relating to establishing the Agency of Controlled Substances

12 It is hereby enacted by the General Assembly of the State of Vermont:

13 Sec. 1. 3 V.S.A. chapter 69 is added to read:

14 CHAPTER 69. AGENCY OF CONTROLLED SUBSTANCES

15 § 4101. DEFINITIONS

16 As used in this chapter:

17 (1) "Agency" means the Agency of Controlled Substances.

18 (2) "Department" means a major component of the Agency.

19 (3) "Director" means the head of a division of the Agency.

1 (4) “Division” means a major component of a department engaged in
2 furnishing services to the public or to units of government at levels other than
3 the State level.

4 (5) “Commissioner” means the head of a department responsible to the
5 Secretary for the administration of the department.

6 (6) “Secretary” means the head of the Agency, a member of the
7 Governor’s Cabinet, who is responsible to the Governor for the administration
8 of the Agency.

9 § 4102. CREATION OF AGENCY

10 (a) The Agency of Controlled Substances is created to administer laws
11 relating to alcohol and tobacco in Title 7, horse racing in 31 V.S.A. chapter 13,
12 the State Lottery in 31 V.S.A. chapter 14, boxing in 31 V.S.A. chapter 21, and
13 games of chance in 32 V.S.A. chapter 239.

14 (b) The Agency shall consist of the Department of Liquor Control, the
15 Liquor Control Board, and the Lottery Commission.

16 § 4103. ADVISORY CAPACITY

17 All boards and commissions which under this chapter are a part of or are
18 attached to the Agency shall be advisory only, except as hereinafter provided,
19 and the powers and duties of the boards and commissions, including
20 administrative, policy making and regulatory functions, shall vest in and be
21 exercised by the Secretary of the Agency.

1 § 4104. PERSONNEL DESIGNATION

2 The Secretary, Deputy Secretary, Commissioner, Deputy Commissioner,
3 attorneys, and all members of the boards, committees, commissions, or
4 councils attached to the Department for support are exempt from the classified
5 State service. Except as authorized by section 311 of this title or otherwise by
6 laws, all other positions shall be within the classified service.

7 § 4105. APPOINTMENT AND SALARY

8 The Agency shall be under the direction and supervision of a Secretary,
9 who shall be appointed by the Governor with the advice and consent of the
10 Senate and shall serve at the pleasure of the Governor.

11 § 4106. BUDGET AND REPORT

12 The Secretary shall be responsible to the Governor and shall plan,
13 coordinate, and direct the functions vested in the Agency.

14 § 4107. DEPUTY SECRETARY

15 (a) The Secretary, with the approval of the Governor, may appoint a
16 Deputy Secretary to serve at his or her pleasure and to perform such duties as
17 the Secretary may prescribe. The Deputy Secretary shall be exempt from the
18 classified service. The appointment shall be in writing and shall be filed in the
19 Office of the Secretary of the State.

20 (b) The Deputy Secretary shall discharge the duties and responsibilities of
21 the Secretary in the Secretary's absence. In case a vacancy occurs in the

1 Office of the Secretary, the Deputy shall assume and discharge the duties of
2 the Office until the vacancy is filled.

3 § 4108. ADVISORY COUNCILS OR COMMITTEES

4 The Secretary, with approval of the Governor, may create such advisory
5 councils or committees as he or she deems necessary within the Agency, and
6 appoint members to them for terms not exceeding his or hers.

7 § 4109. TRANSFER OF PERSONNEL AND APPROPRIATIONS

8 (a) The Secretary, with the approval of the Governor, may transfer
9 classified positions between the State departments and other components of the
10 Agency, subject only to personnel laws and rules.

11 (b) The Secretary, with the approval of the Governor, may transfer
12 appropriations or parts of them between departments and other components in
13 the agency, consistent with the purposes for which the appropriation was made.

14 § 4110. COMMISSIONERS—APPOINTMENT; TERM

15 The Secretary, with the approval of the Governor, shall appoint a
16 commissioner of each department, who shall be the chief executive and
17 administrative officer and head of the department who shall serve at the
18 pleasure of the Secretary. The term of the Commissioner shall be concurrent
19 with that of the Secretary.

1 § 4111. MANDATORY DUTIES

2 (a) The Commissioner shall determine the policies of the Department, and
3 may exercise the powers and shall perform the duties required for its effective
4 administration.

5 (b) In addition to other duties imposed by law, the Commissioner shall:

6 (1) administer the laws assigned to the Department;

7 (2) coordinate and integrate the work of the divisions; and

8 (3) supervise and control all staff functions.

9 § 4112. PERMISSIVE DUTIES; APPROVAL OF SECRETARY

10 The Commissioner may, with the approval of the Secretary:

11 (1) Transfer appropriations or parts of them within or between divisions,
12 consistent with the purposes for which the appropriation was made.

13 (2) Transfer classified positions within or between divisions subject only
14 to State personnel laws and regulations.

15 (3) Cooperate with the appropriate federal agencies and administer
16 federal funds in support of programs within the Department.

17 (4) Submit plans and reports, and in other respects comply with federal
18 law and regulations which pertain to programs administered by the
19 Department.

20 (5) Make regulations consistent with law for the internal administration
21 of the Department and its programs.

1 (6) Appoint a Deputy Commissioner.

2 (7) Create such advisory councils or committees as he or she deems
3 necessary within the Department, and appoint their members, for a term not
4 exceeding that of the Commissioner.

5 (8) Provide training and instructions for any employees of the
6 Department, at the expense of the Department, in educational institutions or
7 other places.

8 (9) Organize, reorganize, transfer, or abolish divisions, staff functions,
9 or sections within the Department. This authority shall not extend to divisions
10 or other bodies created by law.

11 § 4113. DIRECTORS

12 (a) A director shall administer each division created within the Agency.
13 The Commissioners, with the approval of the Secretary, shall appoint directors
14 for divisions which are part of a department, and the Secretary shall appoint
15 any other directors. All directors shall be appointed subject to section 12 of
16 this title.

17 (b) Each division and its officers shall be under the direction and control of
18 the appointing authority, except with regard to judicial or quasi-judicial acts or
19 duties vested in them by law.

20 (c) No rule or regulation may be issued by a Director of a division without
21 the approval of the appointing authority.

1 Sec. 2. 7 V.S.A. § 2 is amended to read:

2 § 2. DEFINITIONS

3 The following words as used in this title, unless a contrary meaning is
4 required by the context, shall have the following meaning:

5 * * *

6 (12) "~~Commissioner of liquor control~~": ~~the executive officer of the~~
7 ~~liquor control board appointed under the provisions of this title~~ Commissioner
8 of Liquor Control appointed by the Secretary of Controlled Substances.

9 * * *

10 (37) "Secretary": the Secretary of Controlled Substances.

11 Sec. 3. 7 V.S.A. chapter 5 is amended to read:

12 CHAPTER 5. DEPARTMENT OF LIQUOR CONTROL

13 * * *

14 § 105. DUTIES OF ATTORNEY GENERAL

15 The ~~attorney general~~ Attorney General shall collaborate with the ~~liquor~~
16 ~~control board~~ Department for the enforcement of the provisions of subdivision
17 ~~(1) of section 104~~ 104(1) of this title.

18 § 106. COMMISSIONER OF LIQUOR CONTROL; REPORTS;

19 RECOMMENDATIONS

20 ~~The board shall employ~~ The Secretary shall appoint an executive officer,
21 who shall be the secretary of the ~~board~~ Board and shall be called the

1 ~~commissioner of liquor control~~ Commissioner of Liquor Control. The
2 ~~commissioner~~ Commissioner shall be appointed for an indefinite period and
3 shall be subject to removal ~~upon the majority vote of the entire board~~ by the
4 Secretary. At such times and in such detail as the ~~board~~ Secretary directs, the
5 ~~commissioner~~ Commissioner shall make reports to the ~~board~~ Secretary
6 concerning the liquor distribution system of the ~~state~~ State, together with such
7 recommendations as he or she deems proper for the promotion of the general
8 good of the ~~state~~ State.

9 § 107. DUTIES OF COMMISSIONER OF LIQUOR CONTROL

10 The ~~commissioner of liquor control~~ Commissioner of Liquor Control shall:

11 (1) In towns which vote to permit the sale of spirituous liquors, establish
12 such number of local agencies ~~therein~~ as the ~~board~~ Board shall determine, enter
13 into agreements for the rental of necessary and adequate quarters, and employ
14 suitable assistants ~~for the operation thereof~~. However, it shall not be
15 obligatory upon the ~~liquor control board~~ Board to establish an agency in every
16 town which votes to permit the sale of spirituous liquors.

17 (2) Make regulations ~~subject to the approval of the board~~ governing the
18 hours during which such agencies shall be open for the sale of spirituous
19 liquors, governing the qualifications and department of employees ~~therein~~ and
20 the employees' salaries ~~thereof~~.

1 and to the ~~commissioner of public safety~~ Commissioner of Public Safety, as
2 may be necessary to carry out the provisions of this title.

3 § 109. AUDIT OF ACCOUNTS ~~OF LIQUOR CONTROL BOARD~~

4 All accounts of the ~~liquor control board~~ Department shall be audited
5 annually by the ~~auditor of accounts~~ Auditor of Accounts, and the annual report
6 of such audit shall accompany the annual reports of ~~such liquor control board~~
7 the Department.

8 § 110. SPECIAL BRANDS; PURCHASE BY COMMISSIONER ~~OF~~
9 LIQUOR CONTROL

10 If any person shall desire to purchase any class, variety, or brand of
11 spirituous liquor which any local agency does not have in stock, the
12 ~~commissioner of liquor control~~ Commissioner shall order the same through the
13 ~~commissioner of buildings and general services~~ Commissioner of Buildings
14 and General Services upon the payment of a reasonable deposit by the
15 purchaser in such proportion of the approximate cost of the order as shall be
16 prescribed by the regulations of the ~~liquor control board~~ Department.

17 * * *

18 § 112. LIQUOR CONTROL FUND

19 The ~~liquor control fund~~ Liquor Control Fund is hereby established. It shall
20 consist of all receipts from the sale of spirits and other items by the ~~department~~
21 ~~of liquor control~~ Department; fees paid to the ~~department of liquor control~~

1 Department for the benefit of the ~~department~~ Department; all other amounts
2 received by the ~~department of liquor control~~ Department for its benefit; and all
3 amounts which are from time to time appropriated to the ~~department of liquor~~
4 ~~control~~ Department.

5 Sec. 4. 7 V.S.A. § 167 is amended to read:

6 § 167. DUTIES OF LOCAL CONTROL COMMISSIONERS

7 (a) The ~~local control commissioners~~ Local Control Commissioners shall
8 administer such rules and regulations, which shall be furnished them by the
9 ~~liquor control board~~ Department, as shall be necessary to carry out the
10 purposes of this title. Except as provided in subsection (b) of this section, all
11 forms of licenses and permits and applications ~~therefor~~ for them and all rules
12 and regulations shall be prescribed by the ~~liquor control board~~ Department,
13 which shall prepare and issue such forms, rules, and regulations.

14 * * *

15 Sec. 5. 7 V.S.A. § 667 is amended to read:

16 § 667. VIOLATIONS OF TITLE

17 * * *

18 (b) A person, partnership, association, or corporation, who ~~wilfully~~
19 willfully violates a provision of this title for which no other penalty is
20 prescribed or who ~~wilfully~~ willfully violates a provision of the regulations of
21 the ~~liquor control board~~ Department, shall be imprisoned not more than three

1 months nor less than one month or fined not more than \$200.00 nor less than
2 \$50.00, or both.

3 * * *

4 Sec. 6. 31 V.S.A. chapter 13 is amended to read:

5 CHAPTER 13. HORSE RACING

6 * * *

7 § 601a. DEFINITION

8 As used in this chapter, "Secretary" means the Secretary of Controlled
9 Substances.

10 ~~§ 602. RACING COMMISSION~~

11 ~~(a) There is hereby created a racing commission consisting of three~~
12 ~~persons. Upon passage of this chapter, the governor shall appoint, with the~~
13 ~~advice and consent of the senate, three members of the commission, not more~~
14 ~~than two members of which shall belong to the same political party, and one~~
15 ~~member to be an official of an agricultural fair, one to hold office until~~
16 ~~February 1, 1961, one to hold office until February 1, 1963 and one to hold~~
17 ~~office until February 1, 1965.~~

18 ~~(b) The governor shall biennially, with the advice and consent of the~~
19 ~~senate, appoint a person as a member of the commission for the term of six~~
20 ~~years, commencing February 1 of the year in which the appointment is made.~~

1 ~~The governor biennially shall designate a member of the commission to be its~~
2 ~~chairman.~~

3 ~~(c) Each member of the commission shall receive \$15.00 a day and~~
4 ~~expenses for time actually spent in the performance of the duties of his or her~~
5 ~~office. No member of the commission shall have any pecuniary interest in any~~
6 ~~racing or in the sale of pari-mutuel pools, nor shall any official employees,~~
7 ~~secretary, deputy, officer, representative employee or counsel participate in~~
8 ~~any pari-mutuel pool. [Repealed.]~~

9 § 603. ASSISTANTS AND EMPLOYEES, DUTIES

10 ~~The commission~~ Secretary may employ such assistants and employees as ~~it~~
11 he or she may consider necessary to carry out the provisions of this chapter, fix
12 their compensation and specify the duties to be performed by them. However,
13 the ~~commission~~ Secretary shall not appoint to any position under ~~its~~ his or her
14 jurisdiction any member of the General Assembly, while the General
15 Assembly is in session.

16 § 604. SEMI-ANNUAL MEETINGS

17 ~~The racing commission~~ Secretary shall hold semi-annual meetings upon
18 15 days' notice in two newspapers which combined have a general circulation
19 throughout the ~~state~~ State. The ~~commission~~ Secretary may hold other meetings
20 at such times and places as ~~it~~ he or she determines upon reasonable public

1 notice. All meetings shall be open to the public as provided in 1 V.S.A.
2 ~~sections~~ §§ 311-314.

3 § 605. RULES AND REGULATIONS

4 The ~~commission~~ Secretary shall make rules and regulations for the holding,
5 conducting, operating, and simulcasting of all running or harness horse or
6 harness pony races or meets at which pari-mutuel pools are sold pursuant to the
7 provisions of this chapter, and shall cause to be fingerprinted, under the
8 direction of the ~~department of public safety~~ Department of Public Safety, any
9 and all persons working at or in connection with the operation of such horse
10 races, or meets, including grooms, jockeys, and drivers.

11 § 605a. LICENSES; REGISTRATIONS

12 The following applicable licenses and registrations shall be required by the
13 ~~commission~~ Secretary from all persons participating in racing on the grounds
14 of an association.

15 * * *

16 § 606. HEARINGS

17 (a) The ~~commission~~ Secretary may conduct hearings at which all matters
18 pertaining to the administration of the affairs of the ~~commission~~ Secretary and
19 all activities conducted under ~~its~~ his or her jurisdiction may be investigated and
20 determined. ~~By its chairman, it~~ The Secretary may issue subpoenas for the

1 attendance of witnesses at its hearings. ~~Any member of the commission~~ The
2 Secretary may administer oaths and affirmations and may examine witnesses.

3 (b) A person who disobeys a subpoena of the ~~commission~~ Secretary, gives
4 false testimony or presents false evidence to the ~~commission~~ Secretary shall be
5 penalized according to law.

6 (c) The ~~commission~~ Secretary may investigate as to the ownership and
7 control, direct or indirect, of any licensee. Any expense incurred by the
8 ~~commission~~ Secretary in so investigating shall be at the expense of the licensee
9 or applicant for a license.

10 § 607. LICENSES REQUIRED; SUNDAY RACING

11 No person, association, or corporation shall conduct, hold, or operate any
12 running or harness race or meet at which pari-mutuel pools are sold without
13 license from the ~~commission~~ Secretary. No pari-mutuel running or harness
14 race shall be held on Sunday between the hours of 12:00 midnight and
15 1:00 p.m. The ~~commission~~ Secretary shall not issue a license for holding a
16 race meet on Sunday in any town until the town has approved the issuance of
17 ~~said~~ the license by majority vote of those present and voting at a duly warned
18 annual or special town meeting.

19 § 608. APPLICATION; BOND

20 Fair associations or corporations which now conduct annual agricultural
21 fairs in Vermont, or Vermont corporations who wish to conduct extended race

1 meetings, with a percentage as designated for the benefit of ~~state~~ State stipend
2 fund, shall be eligible to apply for a license. An eligible association or
3 corporation desiring to hold a running or harness horse race or meet for public
4 exhibition at which pari-mutuel pools are to be sold, shall apply to the
5 ~~commission~~ Secretary to do so. Every fair association, or corporation
6 conducting horse racing or meets at which pari-mutuel pools are to be sold
7 under license from the ~~commission~~ Secretary created herein shall give a bond
8 in a sum not to exceed \$75,000.00 as shall be determined by the ~~commission~~
9 Secretary, with good and sufficient surety or sureties, conditioned upon the
10 faithful performance of its duties and obligations to the ~~state~~ State of Vermont
11 as prescribed herein.

12 § 609. FORMS; FEES

13 Applications for licenses shall be filed upon forms prescribed by the
14 ~~commission~~ Secretary and shall be accompanied by the required license fee.
15 The fee for such license shall be \$20.00 for each period of six days or fraction
16 thereof. The application shall be signed and sworn to by the person or the
17 executive officer of the association or corporation and shall contain the
18 following information:

19 * * *

20 (7) Such other information as the ~~commission~~ Secretary may require but
21 not limited in character or detail by subdivisions (1) through (6) of this section.

1 § 610. ISSUANCE, CONTENTS; REVOCATION

2 (a) If the ~~commission~~ Secretary is satisfied that all the provisions of this
3 chapter and the rules and regulations prescribed have been and will be
4 complied with by the applicant, ~~it~~ he or she may issue a license which shall
5 expire on the ~~31~~ 31st day of December. The license shall set forth the name of
6 the licensee, the place where the races or race meets are to be held, and the
7 time and number of days during which racing may be conducted by the
8 licensee. It shall not be transferable or assignable.

9 (b) The ~~commission~~ Secretary may revoke any license for good cause after
10 reasonable notice and hearing. The license of any corporation shall
11 automatically cease upon the change in ownership, legal or equitable, of
12 50 percent or more of the voting stock of the corporation and the corporation
13 shall not hold a running or harness horse race or meet for a public exhibition
14 without a new license.

15 (c) The ~~commission~~ Secretary may at any time for cause require the
16 removal of any employee or official employed by a licensee. Failure to
17 remove an employee or official when so required shall constitute cause for
18 revoking the license of the employer.

19 § 611. PERMITTED USE OF CERTAIN PHARMACEUTICALS

20 Under rules adopted by the ~~commission~~ Secretary under section 605 of this
21 title, the diuretic drug “lasix” and the anti-inflammatory drug “butazolidine”

1 may be administered to horses competing in horse racing authorized and
2 regulated under this chapter.

3 § 612. AUDITS

4 The ~~Commission~~ Secretary shall procure an audit report of the activities of
5 each track for every calendar year by the ~~1st~~ first day of February following,
6 prepared by a firm of certified public accountants which is not employed by
7 the licensee.

8 * * *

9 § 614. PENALTY

10 (a) Any person, association, or corporation holding, conducting, or
11 simulcasting a pari-mutuel horse race or aiding or abetting same, without a
12 license from the ~~commission~~ Secretary, shall be fined not more than \$1,000.00
13 or imprisoned not more than one year, or both. Any person, association, or
14 corporation violating any rules or regulations of the ~~commission~~ Secretary
15 shall be fined not more than \$500.00 or imprisoned not more than six months,
16 or both.

17 * * *

18 § 615. PARI-MUTUEL POOLS

19 (a) Within the enclosure of any race track where is held a race or race meet
20 licensed and conducted under this chapter, and within the enclosure of any
21 place wherein a licensee licensed under this chapter to hold and conduct races

1 or race meets is authorized by the ~~commission~~ Secretary to simulcast races or
2 race meets, but not elsewhere, the sale of pari-mutuel pools by the licensee is
3 permitted and authorized under such regulations as may be prescribed by the
4 ~~commission~~ Secretary. Commissions on the flat racing pool shall not exceed
5 18 percent of each dollar wagered except commissions on the flat racing pool
6 from racing conducted on Sundays shall not exceed 19 percent of each dollar
7 wagered. Except for ~~state~~ State agricultural fair associations, commissions on
8 the harness racing pools shall not exceed 19 percent of each dollar wagered
9 except commissions on the harness racing pools from racing conducted on
10 Sundays shall not exceed 20 percent of each dollar wagered and commissions
11 on each harness racing trifecta pool shall not exceed 25 percent. For ~~state~~ State
12 agricultural fair associations, commissions on the harness racing pools shall
13 not exceed 20 percent of each dollar wagered on win, place, and show
14 wagering and commissions on all other forms of wagering shall not exceed
15 25 percent. Commissions on the simulcast racing pools shall not exceed
16 20 percent of each dollar wagered on win, place, and show wagering and shall
17 not exceed 25 percent of each dollar wagered on all other forms of wagering
18 from racing or simulcasting conducted on all days.

19 * * *

1 (c) From the pari-mutuel pool the racing commission established pursuant
2 to section 602 of this title shall receive the percentage stated below and the
3 licensee shall retain the balance of the pari-mutuel pool commission:

4 * * *

5 (5) During any calendar year the number of programs which the licensee
6 is licensed by the ~~commission~~ Secretary to conduct shall determine the amount
7 of the payments to be made under this section to the ~~racing commission~~
8 ~~established pursuant to section 602 of this title~~ Secretary. If, in any year, the
9 licensee fails to conduct the full number of licensed programs, any payment
10 shortage shall be reimbursed immediately as due. The ~~commission~~ Secretary
11 has the duty and authority to make prompt orders, as necessary, to assure
12 reimbursement. The funds received by the ~~racing commission~~ Secretary shall
13 be managed pursuant to 32 V.S.A. chapter 7, subchapter 5 ~~of chapter 7 of~~
14 ~~Title 32~~, and shall be available to the ~~racing commission~~ Secretary to offset the
15 costs of providing its services.

16 * * *

17 § 616. PAYMENT

18 Payment under section 615 of this title shall be made to the ~~commission~~
19 Secretary not later than seven days after each race and shall be accompanied by
20 a report under oath showing the total of all the contributions to pari-mutuel

1 pools covered by the report and such other information as the ~~commission~~
2 Secretary may require.

3 * * *

4 § 619. PARI-MUTUEL EMPLOYEES

5 All pari-mutuel concessions shall employ at least 85 percent Vermont
6 residents unless special permission is granted by the ~~commission~~ Secretary but
7 in no event shall they employ persons who at the time of employment are duly
8 elected members of the Vermont ~~general assembly~~ General Assembly.

9 * * *

10 § 621. BREEDING OF HORSES

11 The ~~commission~~ Secretary shall encourage and promote the improvement of
12 the breeding of horses in Vermont. It may accept donations of thoroughbred,
13 standard-bred, or other well-bred stallions by licensees or others to the ~~state~~
14 State for this purpose. It may cooperate with the ~~university~~ University of
15 Vermont in furthering this program.

16 § 622. TOWN VOTE; APPROVAL, REVOCATION

17 (a) A license shall not be issued by the ~~commission~~ Secretary under this
18 chapter for holding a race meet in any town until the town, at an annual or
19 special meeting called for the purpose, has, by majority vote of those present
20 and voting, approved the issuance of licenses under this chapter in the town.
21 The ~~commission~~ Secretary may issue a license for holding greyhound race

1 meets without any additional voting approval by the town, in any town which
2 has, prior to April 1, 1974, approved the issuance of licenses for horse race
3 meets.

4 (b) Upon petition by 25 percent of the voters of a town in which racing is
5 or may be conducted under license of the ~~commission~~ Secretary, alleging cause
6 for suspension of a license, the ~~commission~~ Secretary may suspend the license
7 for the holding of races or meets pending hearing on the petition. If upon
8 hearing ~~it~~ the Secretary finds cause exists, ~~it~~ the Secretary shall suspend the
9 license for a period not to exceed one year.

10 § 623. RACING DATES

11 The ~~racing commission~~ Secretary shall be responsible for all racing dates
12 but shall not assign dates for race meets at which pari-mutuel wagering is
13 conducted at the same time as an agricultural fair at which horse racing was
14 conducted during at least three years of the last 10 years immediately before
15 the passage of No. 259 of the Acts of 1959 if the agricultural fair is located
16 within 50 miles of the race track at which pari-mutuel racing is to be
17 conducted, unless the ~~commission~~ Secretary finds there is no conflict between
18 that race track and the agricultural fair.

19 § 624. RACE OFFICIALS

20 There shall be at least one representative and such other assistants ~~or~~
21 ~~employees of the commission,~~ as the ~~commission~~ Secretary shall determine,

1 present to supervise each running or harness horse race or meet conducted
2 under this chapter.

3 § 625. DEVICES REQUIRED

4 Every licensee conducting horse racing under this chapter shall use for each
5 race such devices as the ~~commission~~ Secretary may designate to be used to
6 determine the respective positions of the first three contestants finishing.

7 * * *

8 § 627. DEFICITS; ASSESSMENTS

9 (a) Annually as of June 30, after comparing all ~~racing commission~~
10 Secretary expenditures to the total of fees paid to the ~~commission~~ Secretary
11 under sections 615 and 618 of this title, there remains a deficit, then the
12 ~~commission~~ Secretary shall, on or before August 14 next, assess all licensees
13 under section 610 of this title, except agricultural fair licensees, an amount
14 sufficient to cover the deficiency. These assessments shall be on an equitable
15 and practicable basis as established by the ~~commission~~ Secretary by regulation.

16 (b) If any such licensee shall fail to remit payment for the expense
17 apportionment billed by the ~~commission~~ Secretary, its license may be revoked
18 or suspended for a period of not less than one year.

19 (c) In addition to the authority granted in subsection (b) of this section, the
20 ~~commission~~ Secretary shall have such authority to collect assessments levied
21 under this section as granted to the ~~commissioner of taxes~~ Commissioner of

1 ~~Taxes~~ to enforce and collect the tax on income under 32 V.S.A. chapter 151 of
2 ~~Title 32.~~

3 * * *

4 § 630. DISPOSITION OF REVENUES

5 All fees, fines, unredeemed ticket funds, and other revenues collected under
6 sections 601 through 627 of this title, except section 620, shall be credited to
7 the Vermont ~~racing special fund~~ Racing Special Fund, established and
8 managed pursuant to 32 V.S.A. chapter 7, subchapter 5 of ~~chapter 7 of Title~~
9 32, and shall be available to the ~~racing commission~~ Secretary to offset the cost
10 of providing its services.

11 Sec. 7. 31 V.S.A. chapter 14 is amended to read:

12 CHAPTER 14. STATE LOTTERY

13 § 651. STATE LOTTERY COMMISSION

14 (a) There is created a ~~lottery commission~~ Lottery Commission which shall
15 be responsible for the establishment and management of a ~~state~~ State lottery.

16 (b) The ~~commission~~ Commission shall consist of five members who shall
17 be appointed by the ~~governor~~ Governor, with the advice and consent of the
18 ~~senate~~ Senate. A member may be removed by the ~~governor~~ Governor. A
19 member appointed by the ~~governor~~ Governor when the ~~general assembly~~
20 General Assembly is not in session shall be subject to approval by the ~~senate~~
21 Senate at its next regular, special, or adjourned session. Members shall be

1 appointed for ~~three-year~~ three-year terms. Any vacancy shall be filled by
2 appointment for the unexpired term. The members shall serve until their
3 successors are appointed and qualified. No member of the ~~commission~~
4 Commission shall have any pecuniary interest in any licensee, licensed under
5 the provisions of this chapter to conduct a lottery, nor shall any member of the
6 ~~commission~~ Commission have a pecuniary interest in any contract awarded
7 pursuant to this subchapter. No more than three members of the ~~commission~~
8 Commission may be members of the same political party.

9 § 652. ORGANIZATION

10 (a) The ~~governor~~ Secretary shall select one member of the ~~commission~~
11 Commission to be ~~chairman~~ chair.

12 (b) The ~~commission~~ Commission shall, biennially, subject to the approval
13 of the ~~governor~~ Secretary, appoint a ~~director~~ Director.

14 (c) The ~~governor~~ Secretary shall annually submit a budget to the ~~general~~
15 ~~assembly~~ General Assembly.

16 § 653. COMPENSATION

17 Each member of the ~~commission~~ Commission shall receive \$30.00 a day
18 and necessary expenses for time actually spent in the performance of the duties
19 of his or her office. In no event shall the total of the per diems paid to any
20 member of the ~~commission~~ Commission exceed \$3,000.00 in any calendar
21 year.

1 § 654. POWERS AND DUTIES

2 The ~~commission~~ Commission shall ~~promulgate~~ adopt rules pursuant to
3 3 V.S.A. chapter 25 of Title 3, governing the establishment and operation of
4 the ~~state lottery~~ State Lottery. The rules may include, ~~but shall not be limited~~
5 ~~to~~, the following:

6 * * *

7 (11) Apportionment of total revenues, within limits hereinafter
8 specified, accruing to the ~~state lottery fund~~ State Lottery Fund among:

9 * * *

10 (B) the payment of all costs incurred in the creation, operation, and
11 administration of the lottery, including ~~but not limited to~~ compensation of the
12 ~~commission~~ Commission, ~~director~~ Director, employees, consultants,
13 contractors, and other necessary expenses;

14 * * *

15 § 654a. MULTIJURISDICTIONAL LOTTERY GAME

16 (a) In addition to the Tri-State Lotto Compact provided for in subchapter 2
17 of this chapter, and the other authority to operate lotteries contained in this
18 chapter, the ~~commission~~ Agency is authorized to negotiate and contract with
19 up to four multijurisdictional lotteries to offer and provide multijurisdictional
20 lottery games. The ~~commission~~ Agency may join any multijurisdictional
21 lottery that provides indemnification for its standing committee members,

1 officers, directors, employees, and agents. The ~~commission~~ Agency shall
2 adopt rules under 3 V.S.A. chapter 25 of Title 3 to govern the establishment
3 and operation of any multijurisdictional lottery game authorized by this
4 section.

5 * * *

6 (c) The provisions of subdivisions 674L.1.1A through 674L.1.1I of this
7 title shall apply to the payment of prizes to a person other than a winner for
8 prizes awarded under any multijurisdictional lottery authorized by this section,
9 except that the ~~Vermont lottery commission~~ Agency shall be responsible for
10 implementing such provisions under this section, rather than the Tri-State
11 Lotto Commission.

12 § 655. LICENSE FEES

13 A license fee shall be charged for each sales license granted to a person for
14 the purpose of selling lottery tickets. The fee shall be fixed by the ~~commission~~
15 Agency, but no license fee in excess of \$15.00 per year may be charged.

16 § 656. INTERSTATE LOTTERY; CONSULTANT; MANAGEMENT

17 (a) The ~~commission~~ Agency may develop and operate a lottery or the ~~state~~
18 State may enter into a contractual agreement with another state or states to
19 provide for the operation of the lottery. Approval of the ~~joint fiscal committee~~
20 Joint Fiscal Committee and the ~~governor~~ Governor shall be required for such
21 contractual agreements with other states.

1 (b) If no interstate contract is entered into, the ~~commission~~ Agency shall
2 obtain the service of an experienced lottery design and implementation
3 consultant. The fee for the consultant may be fixed or may be based upon a
4 percentage of gross receipts realized from the lottery.

5 (c) The ~~commission~~ Agency may enter into a facilities management type of
6 agreement for operation of the lottery by a third party.

7 § 657. DIRECTOR AND DUTIES

8 (a) The ~~state lottery~~ State Lottery shall be under the immediate supervision
9 and direction of a ~~lottery director~~ Lottery Director. The ~~director~~ Director shall
10 devote his or her entire time and attention to the duties of his or her office and
11 shall not be engaged in any other profession or occupation. The ~~office of~~
12 ~~director of the state lottery~~ Office of Director of the State Lottery is an
13 executive position and shall not be included in the plan of classification of ~~state~~
14 State employees, notwithstanding ~~subsection (a) of section 310 of Title 3~~
15 3 V.S.A. § 310(a).

16 (b) The ~~director~~ Director shall:

17 (1) Supervise and administer the operation of the lottery within the rules
18 adopted by the ~~commission~~; Commission.

19 (2) Subject to the approval of the ~~commission~~ Commission, enter into
20 such contracts as may be required for the proper creation, administration,

1 operation, modification, and promotion of the lottery or any part thereof.

2 These contracts shall not be assignable;

3 (3) License sales agents and suspend or revoke any license in
4 accordance with the provisions of this chapter and the rules of the ~~commission;~~
5 Commission.

6 (4) Act as ~~secretary~~ Secretary to the ~~commission~~ Commission, but as a
7 nonvoting member of the ~~commission;~~ Commission.

8 (5) Employ such professional and secretarial staff as may be required to
9 carry out the functions of the ~~commission~~ Commission. ~~Chapter 13 of Title 3~~
10 3 V.S.A. chapter 13 shall apply to employees of the ~~commission;~~ and
11 Commission.

12 (6) Annually prepare a budget and submit it to the ~~commission~~
13 Commission.

14 § 658. STATE LOTTERY FUND

15 (a) There is hereby created in the ~~state treasury~~ State Treasury a separate
16 fund to be known as the ~~state lottery fund~~ State Lottery Fund. This ~~fund~~ Fund
17 shall consist of all revenues received from the ~~treasurer~~ Treasurer for initial
18 funding, from sale of lottery tickets, from license fees, and from all other
19 money credited or transferred from any other fund or source pursuant to law.
20 The monies in the ~~state lottery fund~~ State Lottery Fund shall be disbursed
21 pursuant to subdivision 654(11) of this title, and shall be disbursed by the

1 ~~treasurer~~ Treasurer on warrants issued by the ~~commissioner of finance and~~
2 ~~management~~ Commissioner of Finance and Management, when authorized by
3 the ~~lottery director~~ Secretary and approved by the ~~commissioner~~
4 Commissioner.

5 (b) Expenditures for administrative and overhead expenses of the operation
6 of the ~~lottery~~ Lottery, except agent and bank commissions, shall be paid from
7 ~~lottery~~ Lottery receipts from an appropriation authorized for that purpose.
8 Agent commissions shall be set by the ~~lottery commission~~ Agency and may
9 not exceed 6.25 percent of gross receipts and bank commissions may not
10 exceed ~~+~~ one percent of gross receipts.

11 * * *

12 § 659. ~~REPORT OF THE COMMISSION~~

13 The ~~commission~~ Agency shall make an annual report to the ~~governor~~
14 Governor and to the ~~general assembly~~ General Assembly on or before the 10th
15 day of January in each year, including ~~therein~~ an account of its actions, receipts
16 derived under the provisions of this chapter, the practical effects of the
17 application thereof, and any recommendation for legislation which the
18 ~~commission~~ Agency deems advisable.

19 § 660. ~~POST AUDITS~~ POSTAUDITS

20 All lottery accounts and transactions of the ~~lottery commission~~ Agency's
21 Lottery Division shall be subject to annual ~~post audits~~ postaudits conducted by

1 independent auditors retained by the ~~commission~~ Agency for this purpose, with
2 the approval of the ~~auditor of accounts~~ Auditor of Accounts, as provided in
3 ~~subdivision~~ 32 V.S.A. § 163(9) of Title 32. The ~~commission~~ Agency may
4 order such other audits as it deems necessary and desirable.

5 § 661. SALES AND PURCHASE OF LOTTERY TICKETS

6 The following acts relating to the purchase and sale of lottery tickets are
7 prohibited:

8 * * *

9 (4) No member of the ~~commission~~ Commission or employee of the
10 ~~commission~~ Commission, or members of ~~their~~ his or her immediate household,
11 may claim or receive prize money hereunder.

12 * * *

13 § 667. FISCAL COMMITTEE REVIEW

14 * * *

15 (b) This section shall not apply in the event the ~~commission~~ Agency enters
16 into a facilities management agreement pursuant to the provisions of
17 subsection 656(c) of this title.

18 Sec. 8. 31 V.S.A. chapter 21 is amended to read:

19 CHAPTER 21. BOXING

20 § 1101. DEFINITIONS

21 As used in this chapter:

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* * *

(3) ~~“Director”~~ “Secretary” means the ~~director of the office of professional regulation~~ Secretary of Controlled Substances.

* * *

§ 1102. ~~DIRECTOR;~~ POWERS; DUTIES

(a) The ~~Director~~ Secretary shall have jurisdiction over professional boxing matches. The ~~Director’s~~ Secretary’s power to supervise professional boxing matches includes the power to suspend a match immediately if there is a serious and immediate danger to the public, boxers, promoters, or participants.

(b)(1) Except as provided in this subsection, the ~~Director~~ Secretary shall not have jurisdiction over amateur boxing matches. Amateur boxing matches shall be conducted according to the rules of United States Amateur Boxing, Inc., the national governing body for amateur boxing of the United States Olympic Committee or its successor as the ~~nationally designated~~ nationally designated governing body for amateur boxing. However, upon a finding that the health and safety of the boxers and participants in an amateur match are not being sufficiently safeguarded, the ~~Director~~ Secretary shall assume jurisdiction over and supervisory responsibility for the match. The ~~Director’s~~ Secretary’s decision may be appealed to the administrative law officer appointed under 3 V.S.A. § 129 within 10 days of the date the finding is issued. If the ~~Director~~ Secretary assumes jurisdiction under this subsection, the match shall continue

1 to be conducted in accordance with the rules of United States Amateur
2 Boxing, Inc.

3 * * *

4 (c) The ~~Director~~ Secretary shall:

5 * * *

6 (d) The ~~Director~~ Secretary may adopt rules necessary to perform his or her
7 duties under this chapter. The uniform rules of the Association of Boxing
8 Commissions as adopted on June 6, 1998, and as amended from time to time,
9 shall apply to professional boxing matches conducted under this chapter to the
10 extent those rules address matters not covered by rules adopted by the ~~Director~~
11 Secretary.

12 § 1103. ADVISOR APPOINTEES

13 * * *

14 (b) The ~~Director~~ Secretary shall seek the advice of the advisors appointed
15 under this section in carrying out the provisions of this chapter. The advisors
16 shall be entitled to compensation and necessary expenses in the amount
17 provided in ~~section 32 V.S.A. § 1010 of Title 32~~ for attendance at any meeting
18 called by the ~~Director~~ Secretary for this purpose.

19 (c) For purposes of the federal Professional Boxing Safety Act of 1995, as
20 amended, the ~~Director~~ Secretary and the advisor appointees shall be deemed to
21 be the Vermont ~~state boxing commission~~ State Boxing Commission.

1 § 1104. PROFESSIONAL BOXER REGISTRATION; MATCH
2 REGISTRATION

3 * * *

4 (b) A professional boxer who is a resident of this ~~state~~ State or a resident of
5 another state or country without a boxing commission may obtain a national
6 boxing registry identification card by registering with the ~~office of professional~~
7 ~~regulation~~ Office of Professional Regulation. The registration application shall
8 be in the form prescribed by the ~~Director~~ Secretary and shall include any
9 information required by the ~~Director~~ Secretary in order to verify the applicant's
10 identity. The application shall be accompanied by the required fee.

11 (c) The ~~Director~~ Secretary shall issue a photo identification card to each
12 boxer registered under this section. The card shall contain the personal
13 identification number assigned to that boxer by the ~~national boxing registry~~
14 Secretary. Registrations may be renewed every two years upon payment of the
15 required fee.

16 (d) Before each professional boxing match and no later than the weigh-in,
17 each boxer shall present the photo identification card issued under this section
18 to the ~~Director~~ Secretary's agent who shall verify the identification card and
19 check it against the records of the ~~national boxer registry~~ Secretary before a
20 boxer shall be allowed to participate in the match. A boxer who fails to

1 present a valid identification card shall not be allowed to participate in the
2 match.

3 (e) The ~~Director~~ Secretary shall establish procedures for evaluating the
4 records of professional boxers and, when appropriate, for denying
5 authorization to participate in a match.

6 * * *

7 § 1105. PROMOTERS; REGISTRATION; BOND REQUIREMENT

8 (a) A person shall not act as a promoter in this ~~state~~ State unless he or she
9 is registered with the ~~office of professional regulation~~ Secretary. The
10 application shall be made on forms provided by the ~~Director~~ Secretary and
11 shall be filed at least 14 days prior to the date of the intended professional
12 boxing match.

13 * * *

14 § 1106. PARTICIPANTS; REGISTRATION

15 A person shall not act as a participant in this ~~state~~ State unless he or she is
16 registered with the ~~office of professional regulation~~ Secretary. The application
17 shall be made on forms provided by the ~~Director~~ Secretary and shall be filed at
18 least 14 days prior to the date the applicant first intends to act as a participant
19 in this ~~state~~ State. Registrations may be renewed every two years upon
20 payment of the required fee.

21 * * *

1 § 1108. MATCHES; SPECIAL PROVISIONS

2 (a) The ~~Director~~ Secretary shall designate one or more individuals who
3 shall act as boxing inspectors for professional boxing matches and, at the
4 discretion of the ~~Director~~ Secretary, at amateur boxing matches to insure that
5 boxing laws and rules are strictly observed. Boxing inspectors shall have all
6 the powers of the ~~Director~~ Secretary with regard to regulation of a match.
7 Inspectors shall have free access to the dressing rooms of the boxers and shall
8 be present at the weigh-in.

9 (b) Before a professional match, the promoter shall ~~insure~~ ensure that each
10 boxer is examined by a health care provider for the purpose of certifying that
11 the boxer is physically fit to compete safely. Copies of the health care
12 provider's certificate shall be filed with the ~~Director~~ Secretary prior to the
13 match. In addition, at any time prior to a professional match, the ~~Director~~
14 Secretary may require that a boxer undergo a physical examination, which may
15 include neurological tests and procedures.

16 (c) A health care provider approved by the ~~Director~~ Secretary must be
17 continuously present at ringside during every professional boxing match to
18 observe the physical condition of the boxers. The health care provider shall
19 advise the referee on the condition of the boxers.

20 * * *

1 § 1109. FEES

2 * * *

3 (b) If the ~~Director~~ Secretary exercises jurisdiction over an amateur match
4 under section 122 of this title, the person that organized, held, advertised, or
5 otherwise conducted the match shall pay a fee of \$500.00.

6 § 1110. REPORTS TO BE FILED; PROFESSIONAL BOXING

7 (a) Within 24 hours of the conclusion of a professional match (excluding
8 weekends or national holidays), the promoter or designee shall file a written
9 report with the ~~Director~~ Secretary on a form prescribed by the ~~Director~~
10 Secretary, indicating the specific result of each match and any problems
11 encountered in the running of the event.

12 (b) ~~Within 48 hours of the conclusion of the professional match (excluding~~
13 ~~weekends or national holidays), the Director or designee shall report the results~~
14 ~~of the match to the national boxer registry or registries as designated by the~~
15 ~~Association of Boxing Commissions.~~

16 (c) ~~Within 48 hours of any final disciplinary action against a boxer,~~
17 ~~promoter or manager (excluding weekends or national holidays), the Director~~
18 ~~or designee shall report any final disciplinary action taken against a promoter,~~
19 ~~boxer or manager to the national boxer registry or registries as designated by~~
20 ~~the Association of Boxing Commissions.~~

1 § 1111. REPORT TO BE FILED; AMATEUR BOXING

2 No more than seven days after the conclusion of an amateur boxing match,
3 the United States Amateur Boxing, Inc. representative shall file a report with
4 the ~~Director~~ Secretary certifying complete compliance with the rules of USA
5 Boxing, summarizing the results of the event and detailing any problems
6 encountered during the event.

7 * * *

8 § 1113. TAX ON PROFESSIONAL BOXING CONTESTS

9 Any person holding or conducting a professional boxing match shall notify
10 the ~~Director~~ Secretary not less than five days in advance of the holding of the
11 match, and after the match is concluded shall immediately pay to the ~~Director~~
12 Secretary a sum, designated as a gate tax, which shall be an amount equal to
13 five percent of the gross receipts, exclusive of any federal tax thereon. Gate
14 tax shall be deposited in the professional regulatory fee fund and used to carry
15 out the provisions of this chapter. Payments required by this section shall be
16 accompanied by reports in the form required by the ~~Director~~ Secretary. All
17 tickets of admission to a professional boxing match shall bear clearly the
18 purchase price on the face of the ticket.

1 Sec. 9. 32 V.S.A. chapter 239 is amended to read:

2 CHAPTER 239. GAMES OF CHANCE

3 § 10201. DEFINITIONS

4 As used in this chapter:

5 * * *

6 (2) ~~“Commissioner” means the commissioner of taxes~~ “Secretary”
7 means the Secretary of Controlled Substances.

8 * * *

9 § 10202. LICENSE REQUIRED

10 (a) Manufacture. Break-open tickets sold in Vermont shall be
11 manufactured only by a person licensed by the ~~commissioner~~ Secretary. A
12 licensed manufacturer shall sell break-open tickets only to distributors licensed
13 under this chapter, and a distributor licensed under this chapter shall purchase
14 break-open tickets only from a manufacturer licensed under this chapter.

15 (b) Distribution. A distributor who sells or distributes break-open tickets
16 for resale in Vermont shall be licensed by the ~~commissioner~~ Secretary and also
17 shall be:

18 * * *

1 § 10203. DISTRIBUTION; RETAIL PURCHASE AND SALE

2 * * *

3 (c) ~~No~~ A person, other than a licensed distributor, shall not distribute a box
4 of break-open tickets, ~~and no person shall distribute a box of break-open~~
5 ~~tickets~~, unless the box bears indicia as required by the ~~commissioner~~ Secretary.
6 ~~No~~ A person shall not distribute or sell a break-open ticket at retail unless the
7 ticket bears a unique serial number.

8 (d) A distributor licensed under this chapter may sell break-open tickets
9 only to nonprofit organizations as defined in subdivision 10201(5) of this title,
10 except that a person other than a licensed distributor may sell such tickets to a
11 licensed distributor upon written approval of the ~~commissioner~~ Secretary.

12 * * *

13 § 10204. LICENSE REQUIREMENTS; FEES

14 (a) Upon application and payment of the fee, the ~~commissioner~~ Secretary
15 may issue the following licenses to qualified applicants:

16 (1) Manufacturer annual license \$3,000.00

17 (2) Distributor annual license 2,000.00

18 * * *

19 § 10205. RECORDS; REPORT

20 (a) Each distributor and manufacturer licensed under this chapter shall
21 maintain records and books relating to the distribution and sale of break-open

1 tickets and to any other expenditure required by the ~~commissioner~~ Secretary.

2 A licensee shall make its records and books available to the ~~commissioner~~
3 Secretary for auditing.

4 (b) Each licensed distributor shall file with the ~~commissioner~~ Secretary on
5 the same schedule as the distributor files sales tax returns the following
6 information for the preceding reporting period:

7 (1) The names of organizations to which boxes of break-open tickets
8 were sold.

9 (2) The number of boxes of break-open tickets sold to each
10 organization.

11 (3) The ticket denomination and serial numbers of tickets for each box.

12 (c) Records and reports filed under this section shall be subject to the
13 provisions of ~~32 V.S.A. § section~~ 3102 of this title.

14 (d) The ~~commissioner of taxes~~ Secretary shall provide the records and
15 reports filed under this section to the ~~attorney general~~ Attorney General, upon
16 request, notwithstanding the provisions of section 3102 of this title.

17 § 10206. RULES

18 The ~~department of taxes~~ Agency of Controlled Substances shall regulate the
19 licensing and reporting requirements of manufacturers and distributors of
20 break-open tickets under this chapter. The ~~commissioner~~ Secretary shall adopt
21 rules for licensure and indicia for boxes of break-open tickets.

1 § 10207. ENFORCEMENT

2 * * *

3 (c) In addition to the criminal penalties provided under subsections (a) and
4 (b) of this section, any person who violates a provision of this chapter shall be
5 subject to one or more of the following penalties:

6 (1) ~~Revocation~~ revocation or suspension by the ~~commissioner~~ Secretary
7 of a license granted pursuant to this chapter; ~~or~~

8 (2) ~~Confiscation~~ confiscation of break-open tickets or confiscation of the
9 revenues derived from the sale of those tickets, or both.

10 § 10208. APPEALS

11 Any licensee aggrieved by an action taken under subsection 10207(c) of this
12 chapter and any person aggrieved by the ~~commissioner's~~ Secretary's refusal to
13 issue or renew a license under this chapter may appeal in writing to the
14 ~~commissioner~~ Secretary for review of such action. The ~~commissioner~~
15 Secretary shall ~~thereafter~~ grant a hearing subject to the provisions of 3 V.S.A.
16 chapter 25 of Title 3 upon the matter and notify the aggrieved person in writing
17 of his or her determination. The ~~commissioner's~~ Secretary's determination
18 may be appealed within 30 days to the ~~Washington superior court or the~~
19 ~~superior court~~ Civil Division of the Superior Court of Washington County or
20 the Civil Division of the Superior Court of the county in which the taxpayer
21 resides or has a place of business.

1 § 10209. RULEMAKING

2 The ~~Commissioner of Liquor Control~~ Secretary shall adopt rules for the
3 maintenance of records relating to the distribution and sale of break-open
4 tickets and for record keeping relating to the remittance of net proceeds from
5 sales of break-open tickets to the intended eligible charitable recipients. The
6 rules shall permit no proceeds to be retained by the operators of for-profit bars
7 except for:

8 (1) the actual cost of the break-open tickets;

9 (2) the prizes awarded; and

10 (3) any sales tax due on the sale of break-open tickets under chapter 233
11 of this title.

12 Sec. 10. EFFECTIVE DATE

13 This act shall take effect on July 1, 2014.