

§9009. Conduct and administration of lottery games; powers and duties of corporation; authorized contracts

A. The corporation shall conduct and administer lottery games which will result in maximization of revenues to the state of Louisiana. The corporation, its employees, and the members of the board shall provide for the effective operation of lottery games which insure the integrity of the lottery and maintain the dignity of the state and the general welfare of its citizens. The corporation, in pursuance of the attainment of the objectives and the purposes of this Chapter, may:

- (1) Sue and be sued in its corporate name.
- (2) Adopt a corporate seal and a symbol.
- (3) Hold copyrights, trademarks, and service marks and enforce its rights with respect thereto.
- (4) Appoint agents upon which process may be served.
- (5) Enter into written agreements with one or more other states or sovereigns for the operation, marketing, and promotion of a joint lottery or joint lottery games.
- (6) Acquire immovable property and make improvements thereon, subject to the approval of the Joint Legislative Committee on the Budget.
- (7) Make, solicit, and request proposals and offers, and execute and effectuate any and all agreements or contracts, including:
 - (a) Contracts for the purchase of such goods and services as are necessary for the operation and promotion of the state lottery, provided that proposed purchases of major items of equipment estimated to cost more than one hundred thousand dollars shall be reported to the Joint Legislative Committee on the Budget in accordance with the provisions of this Subtitle.
 - (b) Contracts to incur debt in its own name and enter into financing agreements with the state, its own agencies, or with a commercial bank, excluding the authority to issue bonds.
 - (c) Contracts that provide for the placement of commercial advertising on tickets.

B. The corporation shall:

- (1) Supervise and administer the lottery in accordance with the provisions of this Subtitle and the administrative regulations adopted by the board.
- (2) Submit quarterly and annual reports to the governor, the state treasurer, the president of the Senate, and the speaker of the House of Representatives containing financial information and projections which include but are not limited to disclosure of gross revenues, expenses, and net proceeds for the period.
- (3) Adopt by administrative regulation a system of continuous internal audits.
- (4) Maintain weekly or more frequent records of lottery transactions, including distribution of tickets to lottery retailers, revenues received, claims for prizes, prizes paid, and all other financial transactions of the corporation.
- (5) Adopt by administrative regulation a code of ethics for officers and employees of the corporation to carry out the standards of conduct established by the provisions of this Subtitle.

C. There shall be no liability on the part of and no cause of action shall arise against the corporation, its governing board, staff, agents, vendors, or employees, arising out of or in connection with the issuance, failure to issue, or delivery of a lottery ticket.

Acts 1990, No. 1045, §1, eff. Nov. 7, 1990; Acts 1993, No. 23, §1, eff. May 18, 1993; Acts 1993, No. 885, §1.

§9010. Powers and obligations of corporation's president; residence in Louisiana; ongoing study authorized

A. The president, as chief executive officer of the corporation, shall direct and supervise all administrative and technical activities in accordance with the provisions of this Subtitle and within the administrative regulations adopted by the board. He shall:

(1) Supervise and administer the operation of the corporation, the lottery, and its games.

(2) Employ and direct such personnel as may be necessary to carry out the purposes of this Subtitle and utilize such services, personnel, or facilities of the corporation as he may deem necessary. He may enter into personal service contracts pursuant to rules and regulations adopted by the board and compensate such consultants and technical assistants as may be required to carry out the provisions of this Subtitle. The president may, by agreement, secure information and services as he may deem necessary from any department, agency, or unit of the federal, state, or local government, and may compensate such department, agency, or unit of government, for its services. Agencies, departments, or units of state government shall cooperate with the corporation and provide such information and services as may be required by the corporation to assure the integrity of the lottery and the effective operation of the lottery games.

(3) Contract in accordance with the Administrative Procedure Act or administrative regulations adopted by the corporation with persons to sell lottery tickets at retail. The president shall require a bond or bank letter of credit from lottery retailers in such amount as required by administrative regulations adopted by the board.

(4) Make available for inspection by the board or any member of the board, upon request, all books, records, files, and other information and documents of his office and to advise the board and recommend such administrative regulations and other matters he deems necessary and advisable to improve the operation and administration of the lottery.

(5) Enter into any contract pursuant to this Subtitle with any person, firm, or corporation for the promotion and operation of the lottery, or for the performance of any of the functions as provided in this Subtitle or administrative regulations adopted by the board.

(6) Attend meetings of the board or appoint a designee to attend on his behalf.

(7) Beginning on March 1, 1991, and not later than thirty days before the beginning of each subsequent regular session of the legislature, submit the proposed annual budget of the corporation and projected net proceeds to the Joint Legislative Committee on the Budget for review and approval.

B. The president, with the approval of the board, may amend or modify the budget at any time in any manner deemed necessary for the proper operation of the corporation; however, each change shall be reported in writing to the board and to the Joint Legislative Committee on the Budget.

C. Following his approval by the governor and during his entire term of office, the president shall reside in Louisiana.

D. The president, and the board, shall conduct an ongoing study of the operation and administration of lotteries in other states or countries, of available literature on the subject, of federal laws and regulations which may affect the operation of the lottery and of the reaction of citizens of this state to existing or proposed features of lottery games with a view toward implementing improvements that will tend to serve the purposes of this Subtitle. The president may also establish one or more market or equipment research centers for lottery products and

may establish lottery player information centers.

E. The president shall require bond from corporate employees with access to corporate funds or lottery funds, in such an amount as provided in the administrative regulations of the board.

F. The president also may:

(1) Require bond from other employees as he deems necessary.

(2) For good cause, suspend, revoke, or refuse to renew any contract entered into in accordance with the provisions of this Subtitle or the administrative regulations of the board.

(3) Upon specific or general approval of the board, conduct hearings and administer oaths to persons for the purpose of assuring the security or integrity of lottery operations, or to determine the qualifications or compliance by vendors and retailers.

Acts 1990, No. 1045, §1, eff. Nov. 7, 1990.

§9011. Information sharing and restricted use agreements; other jurisdictions

A. The corporation may enter into intelligence sharing, reciprocal use, or restricted use agreements with the federal government, law enforcement agencies, lottery regulation agencies, and gaming enforcement agencies of other jurisdictions which provide for and regulate the use of information provided and received pursuant to the agreement.

B. Records, documents, and information in the possession of the corporation received pursuant to an intelligence sharing, reciprocal use, or restricted use agreement entered into by the corporation with a federal department or agency, any law enforcement agency, or the lottery regulation or gaming enforcement agency of any jurisdiction shall be considered investigative records of a law enforcement agency as described in R.S. 44:3 and shall not be released under any condition without the permission of the person or agency providing the record or information.

Acts 1990, No. 1045, §1, eff. Nov. 7, 1990.

§9011.1. Transmission of Amber Alert and other emergency information

A. The legislature deems it necessary to utilize all forms of communication available to transmit information concerning child abductions. The "Amber Alert" system is the cooperation between law enforcement agencies and broadcasters to disseminate urgent bulletins in the most serious child abduction cases via the national Emergency Alert System to air a description of the missing child and suspected abductor.

B. The corporation shall enter into an agreement with the state police to help distribute information provided by the state police. The corporation will transmit a message to all on-line retailers which will be displayed on the lottery terminal. The corporation will encourage retailers to print and post the abduction information received in their stores, thereby increasing the distribution and visibility of vital details about child abductions.

C. The agreement shall also include provisions to authorize the transmission of other information the state police may consider imperative to be distributed to the public relative to other abductions or state or national emergencies.

Acts 2003, No. 229, §1.

§9012. Corporation legal representation

The attorney general or a full-time assistant attorney general shall be the legal advisor to the corporation and the board, shall counsel and advise the corporation and the board, and shall represent the corporation in all legal proceedings. The corporation shall reimburse the attorney general for the cost of advising and representing the board and the corporation.

Acts 1992, No. 515, §1, eff. June 25, 1992.

§9013. Commercial advertising on tickets

A. The corporation may enter into contracts with any persons that provide for the placement of commercial advertising on tickets. For purposes of this Section, "commercial advertising" shall mean advertising intended for the sole benefit of the advertiser and shall not include promotional advertising intended for the benefit of the advertiser as well as the promotion of the sale of lottery tickets.

B. The nature of the advertising authorized in this Section and the procedures for its acceptance as well as the implementation of this Section shall be provided by rules adopted by the board of directors. The board shall retain, in its complete discretion, the authority to accept or reject any bid. Advertisements for tobacco and alcohol products shall not be accepted.

C. Implementation of this Section shall be in the manner provided in the procurement rules and regulations adopted by the board of directors pursuant to the authority granted by R.S. 47:9007 and 9028, and approved by the Legislative Oversight Committee as provided in R.S. 47:9019.

Acts 1993, No. 885, §1.

§9015. Personnel program for employees; conflict of interest provisions; employment of specified persons by corporation prohibited

A. The corporation shall establish and maintain a personnel program including rules and regulations for its employees. The corporation may procure benefit programs or group insurance plans and shall provide or arrange for a retirement plan. Employees of the corporation shall serve at the pleasure of the president who shall determine their compensation and benefits.

The employees shall be subject to suspension, dismissal, reduction in pay, demotion, transfer, or other personnel action at the discretion of the president and shall not be subject to civil service provisions. The compensation of officers at the division head level and above shall be determined by the board.

B. No officer or employee of the corporation or any spouse, sibling, ascendant, or descendant thereof shall have a financial interest in any vendor doing business or proposing to do business with the corporation.

C. No officer or employee of the corporation with decision-making authority shall participate in any decision involving a retailer with whom the officer or employee has a financial interest.

D. No officer or employee of the corporation who leaves the employ of the corporation may represent any vendor or lottery retailer before the corporation for a period of two years following termination of employment with the corporation.

Acts 1990, No. 1045, §1, eff. Nov. 7, 1990.

§9016. Employee background investigation

A. A background investigation shall be conducted by the chief security officer of the corporation or his agent or designee on every applicant who has reached the final selection process prior to employment by the corporation, which background investigation shall include testing the applicants for the presence of illegal controlled dangerous substances. Applicants shall be fingerprinted as a condition of employment. In addition, all division chiefs and deputy chiefs, directors of the corporation, and employees of the corporation performing duties primarily related to security matters, and, as required by the board, other employees' positions, prior to employment, shall be subject to a background investigation report conducted by the office of state police.

B. The office of state police shall be reimbursed by the corporation for the cost of investigations conducted pursuant to this Section.

C. No person who has been convicted of a felony, bookmaking or other forms of illegal gambling, or a crime involving moral turpitude shall be employed by the corporation. The board may by regulation provide for a definition of moral turpitude.

Acts 1990, No. 1045, §1, eff. Nov. 7, 1990.

§9017. Appeals; judicial review

A. Any retailer, vendor, or applicant for a retailer or vendor contract aggrieved by an action of the president of the corporation may appeal that decision to the board within ten days of the decision of the president in accordance with the regulations of the board.

B. All appeals before the board shall be decided within five days after conclusion of the hearing.

C. Any person aggrieved by a decision of the board may appeal the decision to the district court of the parish in which the corporation is domiciled within ten days of the date of the decision of the board.

D. The district court shall hear appeals from the board and based upon the record of the board proceedings may reverse the decision of the board only if the appellant proves the decision to be:

- (1) Clearly erroneous;
- (2) Arbitrary and capricious;
- (3) Procured by fraud;
- (4) A result of substantial misconduct by the board, or a member thereof; or
- (5) Contrary to the federal or state constitution or the provision of this Subtitle.

E. The district court may remand an appeal to the board to conduct further hearings necessary to adjudicate the appeal.

F. Any person who appeals the award of a major lottery procurement for the supply of a lottery ticket or an on-line lottery system shall be liable for all costs of appeal and defense in the event the appeal is denied or the contract award upheld. Costs of appeal and defense shall specifically include but not be limited to court costs, bond, legal fees, and loss of income to the corporation resulting from institution of the appeal if, upon the motion of the corporation, the court finds the appeal to have been frivolous.

Acts 1990, No. 1045, §1, eff. Nov. 7, 1990; Acts 1993, No. 198, §1, eff. June 1, 1993.