

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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SENATE BILL 358

Short Title: Redirect Lottery Advertising for Foster Care. (Public)

Sponsors: Senators Burgin, Krawiec, and Mohammed (Primary Sponsors).

Referred to: Rules and Operations of the Senate

March 23, 2023

1 A BILL TO BE ENTITLED
2 AN ACT TO ELIMINATE THE AUTHORITY OF THE LOTTERY COMMISSION TO
3 EXPEND LOTTERY REVENUES ON ADVERTISING EXPENSES AND TO REDIRECT
4 MONIES INTENDED FOR ADVERTISING TOWARD FOSTER CARE PROGRAMS
5 WITH THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.

6 The General Assembly of North Carolina enacts:

7 SECTION 1.(a) G.S. 18C-114 reads as rewritten:

8 "§ 18C-114. Powers and duties of the Commission.

9 (a) The Commission shall have the following powers and duties:

10 ...

11 (2) To prescribe the nature of lottery advertising to be conducted by lottery game
12 retailers, which shall comply with the following:

- 13 a. All advertising shall include resources for responsible gaming
14 information.
15 b. No advertising may intentionally target specific groups or economic
16 classes.
17 c. No advertising may be misleading, deceptive, or present any lottery
18 game as a means of relieving any person's financial or personal
19 difficulties.
20 d. No advertising may have the primary purpose of inducing persons to
21 participate in the Lottery.

22"

23 SECTION 1.(b) G.S. 18C-130 reads as rewritten:

24 "§ 18C-130. Types of lottery games; lottery games and lottery advertising; certain
25 disclosures and information to be provided.

26 (a) The Commission shall determine the types of lottery games that may be used in the
27 Lottery. Games may include instant lotteries, online games, games played on computer terminals
28 or other devices, and other games traditional to a lottery or that have been conducted by any other
29 state government-operated lottery.

30 (b) In lottery games using tickets, each ticket in a particular game shall have printed on
31 it a unique number distinguishing it from every other ticket in that lottery game and an
32 abbreviated form of the game-play rules, including resources for responsible gaming information.
33 In lottery games using tickets, each ticket may have printed on it a depiction of one or more
34 cartoon characters, whose primary appeal is not to minors. In lottery games using tickets with
35 preprinted winners, the overall estimated odds of winning prizes shall be printed on each ticket.



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1 No name or photograph of a current or former elected official shall appear on the tickets of any
2 lottery game.

3 (c) In games using electronic computer terminals or other devices to play lottery games,
4 no coins or currency shall be dispensed to players from those electronic computer terminals or
5 devices.

6 (d) No games shall be based on the outcome of a particular sporting event or on the results
7 of a series of sporting events.

8 (e) ~~Lottery~~ The Commission shall ensure that advertising shall be by lottery game
9 retailers is tastefully designed and presented in a manner to minimize the appeal of lottery games
10 to minors. The use of cartoon characters or of false, misleading, or deceptive information in
11 lottery advertising is prohibited. All advertising promoting the sale of lottery tickets or shares for
12 a particular game shall include the actual or estimated overall odds of winning the game. Nothing
13 in this subsection shall be deemed to authorize the Commission to expend public funds on lottery
14 advertising.

15 (f) The Commission shall make available a detailed tabulation of the estimated number
16 of prizes of each particular prize denomination that are expected to be awarded in each lottery
17 game or the estimated odds of winning these prizes at the time that lottery game is offered for
18 sale to the public.

19 (g) The Commission shall, in consultation with the Department of Health and Human
20 Services, develop and provide information to the public about gambling addiction and treatment."

21 **SECTION 1.(c)** G.S. 18C-163 reads as rewritten:

22 "**§ 18C-163. Expenses of the Lottery.**

23 (a) Expenses of the Lottery may include any of the following:

24 (1) The costs incurred in operating and administering the Commission, including
25 initial start-up costs.

26 (2) The costs resulting from any contracts entered into for the purchase or lease
27 of goods or services required by the Commission.

28 (3) A transfer of ~~one-thirty-one~~ million dollars ~~(\$1,000,000)~~ ~~(\$31,000,000)~~
29 annually to the Department of Health and Human Services ~~for~~ to be used as
30 follows:

31 a. One million dollars (\$1,000,000) for gambling addiction education
32 and treatment programs.

33 b. Thirty million dollars (\$30,000,000) for foster care programs.

34 (4) The costs of supplies, materials, tickets, independent studies and audits, data
35 transmission, ~~advertising, promotion,~~ incentives, public relations,
36 communications, bonding for lottery game retailers, printing, and distribution
37 of tickets and shares.

38 (5) The costs of reimbursing other governmental entities for services provided to
39 the Commission.

40 (6) The costs for any other goods and services needed to accomplish the purposes
41 of this Chapter.

42 (b) Expenses of the lottery shall also include ~~all of the following:~~

43 ~~(1)~~ A ~~a~~ transfer of two million one hundred thousand dollars (\$2,100,000)
44 annually to the Department of Public Safety, Alcohol Law Enforcement
45 Division, for gambling enforcement activities.

46 ~~(2) Advertising costs."~~

47 **SECTION 2.** This act becomes effective July 1, 2023.