

State of South Dakota

SEVENTY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 1997

436A0732

SENATE STATE AFFAIRS COMMITTEE ENGROSSED NO. **HB1238** - 3/3/97

Introduced by: Representatives DeMersseman, Apa, Diedrich, Duniphan, Napoli, and Pederson
(Gordon) and Senators Shoener and Whiting

1 FOR AN ACT ENTITLED, An Act to allow a video lottery machine operator to be owned by
2 certain publicly traded companies.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 42-7A-43 be amended to read as follows:

5 42-7A-43. Any person licensed as a video lottery machine manufacturer, distributor,
6 operator, or lottery retailer shall submit to a background investigation. This includes each partner
7 of a partnership and each director and officer and all stockholders of five percent or more in a
8 parent or subsidiary corporation of a video lottery machine manufacturer, distributor, operator,
9 or lottery retailer. A video lottery machine manufacturer or distributor shall meet the same
10 requirements of subdivisions 42-7A-13(1) to (4), inclusive, and § 42-7A-14. A video lottery
11 machine operator shall meet the same requirements of §§ 42-7A-13 and 42-7A-14, in addition
12 to being a resident of the State of South Dakota and, if a partnership or corporation, the majority
13 of ownership interest shall be held by residents of the state or by a public company or its
14 subsidiary licensed as a video lottery machine operator pursuant to chapter 42-7A prior to
15 January 1, 1997, and traded on any market regulated or recognized by the United States

1 Securities and Exchange Commission. A copy of any disclosure statement involving ownership
2 of the public company required to be filed with the United States Securities and Exchange
3 Commission shall be filed with the lottery commission. A lottery retailer shall meet the same
4 requirements of §§ 42-7A-13 and 42-7A-14. Any applicant for any license under this chapter has
5 the burden of proving his or her qualifications to the satisfaction of the commission and executive
6 director. The commission may adopt rules pursuant to chapter 1-26 to establish additional
7 requirements to preserve the integrity and security of the lottery.

1 **BILL HISTORY**

2 2/3/97 First read in House and referred to State Affairs. H.J. 262

3 2/7/97 Scheduled for Committee hearing on this date.

4 2/7/97 State Affairs Deferred to another day. H.J. 361

5 2/10/97 Scheduled for Committee hearing on this date.

6 2/10/97 State Affairs Do Pass Amended, Passed, AYES 10, NAYS 2. H.J. 377

7 2/12/97 House of Representatives Do Pass Amended, Passed, AYES 42, NAYS 26. H.J. 450

8 2/13/97 First read in Senate and referred to State Affairs. S.J. 439

9 2/24/97 Scheduled for Committee hearing on this date.

10 2/24/97 State Affairs Deferred to another day. S.J. 594

11 2/28/97 Scheduled for Committee hearing on this date.

12 2/28/97 State Affairs Do Pass Amended, Passed, AYES 7, NAYS 2. S.J. 705