

(e) Effective July 1, 1979, the minimum benefits of a qualified plan shall include, in addition to those benefits specified in clause (a), a second opinion from a physician on all surgical procedures expected to cost a total of \$500 or more in physician, laboratory and hospital fees, provided that the coverage need not include the repetition of any diagnostic tests.

(f) Effective August 1, 1985, the minimum benefits of a qualified plan must include, in addition to the benefits specified in clauses (a), (d), and (e), coverage for special dietary treatment for phenylketonuria when recommended by a physician.

(g) Outpatient mental health coverage is subject to section 62A.152, subdivision 2.

Approved May 4, 1988

CHAPTER 705—H.F.No. 1941

An act relating to gambling; increasing the time period allowed for cities and counties to review license applications; providing that promotions conducted in connection with payroll deduction campaigns are not lotteries; amending Minnesota Statutes 1986, sections 349.213, subdivision 2; and 609.75, subdivision 1.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1986, section 349.213, subdivision 2, is amended to read:

Subd. 2. **LOCAL APPROVAL.** Before issuing or renewing an organization license, the board must notify the city council of the statutory or home rule city in which the organization's premises are located or, if the premises are located outside a city, by the county board of the county and the town board of the town where the premises are located. If the city council or county board adopts a resolution disapproving the license and so informs the board within ~~30~~ 60 days of receiving notice of the license, the license may not be issued or renewed.

Sec. 2. Minnesota Statutes 1986, section 609.75, subdivision 1, is amended to read:

Subdivision 1. **LOTTERY.** (a) A lottery is a plan which provides for the distribution of money, property or other reward or benefit to persons selected by chance from among participants some or all of whom have given a consideration for the chance of being selected.

(b) An in-package chance promotion is not a lottery if all of the following are met:

New language is indicated by underline, deletions by ~~strikeout~~.

(1) participation is available, free and without purchase of the package, from the retailer or by mail or toll-free telephone request to the sponsor for entry or for a game piece;

(2) the label of the promotional package and any related advertising clearly states any method of participation and the scheduled termination date of the promotion;

(3) the sponsor on request provides a retailer with a supply of entry forms or game pieces adequate to permit free participation in the promotion by the retailer's customers;

(4) the sponsor does not misrepresent a participant's chances of winning any prize;

(5) the sponsor randomly distributes all game pieces and maintains records of random distribution for at least one year after the termination date of the promotion;

(6) all prizes are randomly awarded if game pieces are not used in the promotion; and

(7) the sponsor provides on request of a state agency a record of the names and addresses of all winners of prizes valued at \$100 or more, if the request is made within one year after the termination date of the promotion.

(c) Except as provided by section 349.40, acts in this state in furtherance of a lottery conducted outside of this state are included notwithstanding its validity where conducted.

(d) The distribution of property, or other reward or benefit by an employer to persons selected by chance from among participants who have made a contribution through a payroll or pension deduction campaign to a registered combined charitable organization, within the meaning of section 309.501, as a precondition to the chance of being selected, is not a lottery if:

(1) all of the persons eligible to be selected are employed by or retirees of the employer;

(2) the cost of the property or other reward or benefit distributed and all costs associated with the distribution are borne by the employer; and

(3) the total amount actually expended by the employer to obtain the property or other rewards or benefits distributed by the employer during the calendar year does not exceed \$500.

Approved May 4, 1988

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