## Rules of Department of Revenue Division 40-State Lottery Chapter 85-Draw Game

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## Title 12-DEPARTMENT OF REVENUE

Division 40-State Lottery<br>Chapter 85-Draw Game

## 12 CSR 40-85.005 Definitions for All Draw Games

PURPOSE: This rule defines certain terms for all draw games.
(1) Certified drawing. A drawing in which the lottery and an independent certified public accounting firm attests that the drawing equipment functioned properly and that a random selection of a winning combination has occurred.
(2) Drawing. The procedure by which the lottery randomly selects numbers or items in accordance with the specific game rules for those games requiring random selection of numbers or items.
(3) Duplicate ticket. A ticket produced by photograph, copier, or any other method other than a ticket generated by a draw games terminal.
(4) Draw game. A game played on a draw game terminal which is in communication with the lottery's computer gaming system; also known as a computer-generated game.
(5) Draw games lottery retailer. A licensed retailer who has contracted with the lottery to sell draw games.
(6) Computer gaming system. The lottery's draw games computer gaming system consisting of draw games terminals and related equipment which communicates with the central processing equipment and a communication network.
(7) Draw games terminal. Computer hardware through which a draw games lottery retailer enters the combination selected by a player and by which game tickets are generated and claims may be validated.
(8) Draw games ticket. A computer generated ticket issued by a draw games lottery retailer to a player as a record for the numbers/wagers or combination of numbers/wagers the player has selected.
(9) Number and Wager Selection Types.
(A) Player-selected numbers/wagers. A number or wager or group of numbers or wagers selected by a player in connection with a draw game.
(B) Computer-generated numbers. Numbers randomly selected by the computer gaming system. The computer-generated numbers are also known as quick picks or auto-picks.
(10) Share. A percentage of ownership in a winning ticket.
(11) Validation. The process of determining whether a draw games ticket presented for payment is a winning ticket.
(12) Validation number. The number printed on the front of each draw games ticket which is used for validation.

AUTHORITY: section 313.220, RSMo Supp. 2014.* Original rule filed July 15, 1986, effective July 25, 1986. Amended: Filed May 25, 2000, effective Nov. 30, 2000. Amended: Filed July 15, 2014, effective Feb. 28, 2015.
*Original authority: 313.320, RSMo 1985, amended 1988, 1993, 1995, 2003.

## 12 CSR 40-85.010 Draw Games Contract Provisions

PURPOSE: This rule establishes certain provisions for the draw games contract.
(1) In addition to provisions of the draw games contract unique to each retailer, the draw games contract may provide the following provisions:
(A) A discount commission of a percentage set by the executive director of draw games tickets sold by the retailer;
(B) An installation fee as may be established by the executive director;
(C) If the retailer has purchased a business where a terminal has previously been installed, reconnection fees may be charged as may be established by the executive director;
(D) Requirements that the retailer-

1. Sell all games as required by the lottery;
2. Furnish players with proper claim forms provided by the lottery;
3. Provide winning numbers;
4. Attend training provided by the lottery;
5. Allow only trained personnel to operate terminals;
6. Report malfunctions as soon as practicable; and
7. Prominently display point-of-sale and other game-related materials and equipment.
(E) A weekly communications fee as established by the executive director; and
(F) Hold the retailer liable for negligent or intentional damage to or loss of lottery or vendor equipment.

AUTHORITY: section 313.220, RSMo Supp. 2014.* Original rule filed June 4, 1986, effective June 14, 1986. Amended: Filed March 17, 1987, effective March 27, 1987. Amended: Filed March 1, 1988, effective May 26, 1988. Amended: Filed May 25, 2000, effective Nov. 30, 2000. Amended: Filed July 15, 2014, effective Feb. 28, 2015.
*Original authority: 313.220, RSMo 1985, amended 1988, 1993, 1995.

## 12 CSR 40-85.020 Criteria for On-Line Terminal Award

(Rescinded February 28, 2015)
AUTHORITY: section 313.220, RSMo Supp. 1988. Original rule filed June 4, 1986, effective June 14, 1986. Amended: Filed Dec. 5, 1988, effective April 27, 1989. Rescinded: Filed July 15, 2014, effective Feb. 28, 2015.

## 12 CSR 40-85.030 Draw Games Ticket Validation Requirements

PURPOSE: This rule sets forth the validation requirements for validating draw games winning tickets.
(1) All of the following requirements must be met for a draw games ticket to be a valid draw games winning ticket:
(A) The ticket validation number shall be presented in its entirety and shall correspond using the computer validation file to the selected numbers printed on the ticket for the data printed on the ticket;
(B) The ticket shall not be altered, reconstituted, or tampered with in any manner;
(C) The ticket shall not be counterfeit or a duplicate of another winning ticket;
(D) The ticket shall have been issued by the lottery through a draw games retailer in an authorized manner;
(E) The ticket shall not have been canceled;
(F) The ticket shall be validated in accordance with procedures for claiming and payment of prizes;
(G) The ticket data shall have been recorded in the computer gaming system before the drawing and the ticket data shall match this computer record in every respect;
(H) The player-selected numbers/wagers, the validation number data, and the drawing date of an apparent winning ticket shall appear on the official file of winning tickets
and a single-lettered game grid with the exact data may have not been previously paid;
(I) The ticket may not be misregistered or defectively printed to an extent that it cannot be processed by the lottery;
(J) The ticket shall pass all other confidential security checks of the lottery; and
(K) Executive director may allow exceptions to the criteria in this rule.

AUTHORITY: section 313.220, RSMo Supp. 2014.* Original rule filed July 15, 1986, effective July 25, 1986. Amended: Filed May 25, 2000, effective Nov. 30, 2000. Amended: Filed July 15, 2014, effective Feb. 28, 2015.
*Original authority: 313.220, RSMo 1985, amended 1988, 1993, 1995, 2003.

## 12 CSR 40-85.040 Lotto Game

(Rescinded November 23, 1987)
AUTHORITY: section 313.230(2), RSMo 1986. Original rule filed July 15, 1986, effective July 25, 1986. Rescinded: Filed Aug. 28, 1987, effective Nov. 23, 1987.

## 12 CSR 40-85.050 Prize Amounts for Parimutuel Draw Games

PURPOSE: This rule sets the amount of prizes for parimutuel games.
(1) The total amount of prize money allocated to the winnings pool for draw games shall be a minimum of forty-five percent ( $45 \%$ ) of the total gross draw games sales.
(2) The allocation of the draw games winnings to the prize categories shall be announced by the executive director at least one (1) week prior to the effective date of this rule and one (1) week prior to any future changes in the allocation.
(3) The prize money allocated to each of the winning prize categories will be divided equally by the number of plays determined to be winning plays for that prize. The executive director may establish a maximum or minimum prize allocation to each of the winning categories.
(4) In a draw game, if no winning ticket qualifies for a prize category, the amount allocated for the prize shall be carried over and added to the prize pool of the next drawing for that particular game or will be allocated to other prize levels according to the rules of that game.
(5) The amount allocated to the first prize may be used to purchase securities or an annuity for each winning play. The first prize will be payable to winning tickets by an initial cash payment plus payments as established by the executive director. Any winning ticket owned in shares by multiple owners shall be funded as outlined above to the owners as declared on the claim form for claiming the draw games prizes. As established by the executive director, the first prize may be payable to winning ticket holder(s) in a lump sum cash payment equal to the cash value of the first prize annuity or a percentage of the first prize.

AUTHORITY: section 313.220, RSMo Supp. 2014, and section 313.230, RSMo 2000.* Original rule filed July 15, 1986, effective July 25, 1986. Amended: Filed May 14, 1987, effective Aug. 13, 1987. Amended: Filed Aug. 4, 1988, effective Oct. 27, 1988. Amended: Filed Sept. 15, 1997, effective March 30, 1998. Amended: Filed May 25, 2000, effective Nov. 30, 2000. Amended: Filed July 15, 2014, effective Feb. 28, 2015.
*Original authority: 313.220, RSMo 1985, amended 1988, 1993, 1995, 2003 and 313.230, RSMo 1985, amended 1988, 1990, 1993.

12 CSR 40-85.055 Designation for Specifics for Each Draw Game

PURPOSE: This rule designates the specifics the director will publish for each draw game.
(1) The director shall publish the following specifics for each draw game at least one (1) week prior to the start of that game:
(A) The name of the game;
(B) The combination or range of numbers which will be used in the game;
(C) The number of prize categories;
(D) The allocation of the winnings pool to the prize categories;
(E) The method of matching player-selected number(s) with the winning number(s); and
(F) The cost of a play.
(2) The director shall retain the specifics for each draw game at the Jefferson City office of the Missouri Lottery for one (1) year following the last day on which prizes may be claimed for that game.
(3) The director shall cause the specifics set out in section (1) to be published and released to media for publication to inform the public and players of the specifics of the draw game.

AUTHORITY: section 313.230(1)(b)(c)(d), RSMo 2000.* Original rule filed May 14, 1987, effective Aug. 13, 1987. Amended: Filed July 15, 2014, effective Feb. 28, 2015.
*Original authority: 313.230, RSMo 1985, amended 1988, 1990, 1993.

## 12 CSR 40-85.060 Further Limitations on Draw Games Prizes

PURPOSE: This rule sets forth further requirements for winning tickets.
(1) The winning player(s) agrees by submitting a draw games ticket for validation to abide by the statutes and rules pertaining to the Missouri Lottery and to the draw games.
(2) There may not be any breach of the statutes or rules in relation to the ticket which, in the opinion of the executive director justifies disqualification.
(3) The draw games ticket shall be a bearer instrument until it is signed. The owner(s) of a winning ticket must declare all other owners and the percentage of ownership for a winning ticket at the time of filing a claim with the Missouri Lottery or presenting the ticket for validation to a draw games lottery retailer.
(4) The information printed on the ticket stock shall not be interpreted as providing any prize or procedure other than authorized by the lottery statute contained in section 313.200 , RSMo, for that game the rules of the commission and the rules for that game.
(5) The player shall be responsible for lost or stolen draw games tickets. The lottery shall not be responsible for lost or stolen draw games tickets.
(6) A draw games game play may only be claimed for the highest prize category won.
(7) For purposes of calculation of a prize to be paid with respect to any prize in any game, the winning prize amount shall be rounded down to the nearest dollar.
(8) Game liability limits-
(A) When the potential aggregate prize liability, resulting from all wagers containing a particular combination of numbers, reaches or first exceeds a prize payout level as determined by the director in a single drawing, no further wagers of that number combination shall be accepted by the lottery gaming system for that drawing.
(B) Notwithstanding subsection (A) of this section, the director may, when conditions so
warrant as determined in the director's sole discretion, establish a prize liability threshold that is higher than the published level for a single drawing.

AUTHORITY: section 313.220, RSMo Supp. 2014.* Original rule filed July 15, 1986, effective July 25, 1986. Amended: Filed Feb. 11, 1987, effective Feb. 21, 1987. Amended: Filed May 25, 2000, effective Nov. 30, 2000. Amended: Filed July 15, 2014, effective Feb. 28, 2015.
*Original authority: 313.220, RSMo 1985, amended 1988, 1993, 1995, 2003.

## 12 CSR 40-85.070 Disputes

PURPOSE: This rule sets forth the remedy for disputed tickets.
(1) In the event of a dispute between the lottery and the owner(s) or bearer(s) of a ticket as to whether the ticket is, in fact, a winning ticket, and if the claimed prize is not paid, the director, solely at his/her option, may replace the disputed ticket with an unplayed ticket(s) of equivalent price from any current draw game. All decisions of the director as to winning tickets or any other disputes concerning the operation of the draw games are final and no administrative appeal shall be allowed.

AUTHORITY: section 313.220, RSMo Supp. 2014.* Original rule filed July 15, 1986, effective July 25, 1986. Amended: Filed July 15, 2014, effective Feb. 28, 2015.
*Original authority: 313.220, RSMo 1985, amended 1988, 1993, 1995, 2003.

## 12 CSR 40-85.080 Payments of Prizes Up to \$600 Authorized

PURPOSE: This rule sets forth the manner of payment of prizes by draw games retailers.
(1) Draw games lottery retailers shall pay draw games prizes up to and including six hundred dollars $\$ 600$. The executive director may allow exceptions to the criteria in this rule.
(2) Any draw games retailer may pay a prize for a winning draw games ticket regardless of where the draw games ticket was purchased.
(3) Lottery draw game retailers shall follow the procedures for validation of the tickets issued by the lottery before paying any draw games prize.
(4) All winning tickets up to six hundred dollars ( $\$ 600$ ) may be processed at a draw games lottery retailer.
(5) Winning tickets over six hundred dollars (\$600) shall be processed at a lottery office, the location of which shall be published periodically by the lottery.

AUTHORITY: section 313.220, RSMo Supp. 2014.* Original rule filed July 15, 1986, effective July 25, 1986. Amended: Filed Feb. 11, 1987, effective Feb. 21, 1987. Amended: Filed May 25, 2000, effective Nov. 30, 2000. Amended: Filed July 15, 2014, effective Feb. 28, 2015.
*Original authority: 313.220, RSMo 1985, amended 1988, 1993, 1995, 2003.

12 CSR 40-85.090 Cancellation of or Failure to Enter Draw Game Tickets

PURPOSE: This rule provides for suspension or revocation of licenses for any retailer who knowingly cancels a draw game ticket without being requested to do so by the player owning the ticket or for the retailer to fail to enter the play as requested by the player.
(1) A retailer may be subject to suspension or revocation of his/her license if $\mathrm{s} /$ he knowingly either-
(A) Cancels any draw game ticket without being requested to do so by the player owning that ticket; or
(B) Fails to enter a play requested by a player.

AUTHORITY: section 313.220, RSMo Supp. 2014.* Original rule filed Sept. 15, 1986, effective Sept. 25, 1986. Amended: Filed Nov. 14, 1986, effective Nov. 24, 1986. Amended: Filed July 15, 2014, effective Feb. 28, 2015.
*Original authority: 313.220, RSMo 1985, amended 1988, 1993, 1995, 2003.

## 12 CSR 40-85.100 Change of Location or of Business Organization for Draw Game Retailer

PURPOSE: This rule sets forth certain criteria for a change of location or of business organization for draw game retailer.
(1) The existing draw game contract shall terminate whenever-
(A) Any draw game retailer changes location; or
(B) More than fifty percent (50\%) of the ownership, including common stock, changes
hands.
(2) A new contract may be awarded on the basis of the factors set forth in 12 CSR 4040.090 .
(3) A change of business structure or change of ownership not included in 12 CSR 4085.100(1) for a draw game retailer will not require a new determination of factors set forth in 12 CSR 40-40.090 even though a new contract is signed with the new business entity.

AUTHORITY: section 313.220, RSMo Supp. 2014.* Original rule filed Nov. 14, 1986, effective Nov. 24, 1986. Amended: Filed July 15, 2014, effective Feb. 28, 2015.
*Original authority: 313.220, RSMo 1985, amended 1988, 1993, 1995, 2003.

## 12 CSR 40-85.110 Pick-3 Game

(Rescinded November 30, 2000)
AUTHORITY: section 313.220, RSMo Supp. 1997. Original rule filed Feb. 11, 1987, effective Feb. 21, 1987. Amended: Filed Feb. 4, 1993, effective Aug. 9, 1993. Amended: Filed Sept. 15, 1997, effective March 30, 1998. Rescinded: Filed May 25, 2000, effective Nov. 30, 2000.

## 12 CSR 40-85.120 Winning Tickets in Pick-

 3(Rescinded November 30, 2000)
AUTHORITY: section 313.220, RSMo Supp. 1997. Original rule filed Feb. 11, 1987, effective Feb. 21, 1987. Amended: Filed Sept. 15, 1997, effective March 30, 1998. Rescinded: Filed May 25, 2000, effective Nov. 30, 2000.

## 12 CSR 40-85.130 Prize Amounts for Pick3

(Rescinded November 30, 2000)
AUTHORITY: section 313.220, RSMo Supp. 1997. Original rule filed Feb. 11, 1987, effective Feb. 21, 1987. Amended: Filed May 3, 1988, effective Aug. 25, 1988. Amended: Filed Sept. 15, 1997, effective March 30, 1998. Rescinded: Filed May 25, 2000, effective Nov. 30, 2000.

## 12 CSR 40-85.140 Drawing and Selling Times

PURPOSE: This rule establishes the drawing and selling times for the draw games.
(1) Drawings shall be conducted at times and places designated by the executive director.

AUTHORITY: section 313.220, RSMo Supp. 2014.* Original rule filed Feb. 11, 1987, effective Feb. 21, 1987. Amended: Filed Dec. 5, 1988, effective April 27, 1989. Amended: Filed May 25, 2000, effective Nov. 30, 2000. Amended: Filed July 15, 2014, effective Feb. 28, 2015.
*Original authority: 313.220, RSMo 1985, amended 1988, 1993, 1995, 2003.

## 12 CSR 40-85.150 Breakage

(Rescinded November 30, 2000)
AUTHORITY: section 313.220, RSMo Supp. 1988. Original rule filed Feb. 11, 1987, effective Feb. 21, 1987. Rescinded: Filed May 25, 2000, effective Nov. 30, 2000.

## 12 CSR 40-85.160 Prize Pool for Pick-3

 (Rescinded November 30, 2000)AUTHORITY: section 313.220, RSMo Supp. 1988. Original rule filed Feb. 11, 1987, effective Feb. 21, 1987. Rescinded: Filed May 25, 2000, effective Nov. 30, 2000.

## 12 CSR 40-85.170 Game Sell-Out Prohibited

PURPOSE: This rule prevents a purchaser from covering all combinations for a jackpot/grand prize.
(1) No Missouri lottery office or Missouri lottery retailer shall directly and knowingly sell a ticket or combination of tickets to any person or entity which would guarantee such a purchaser a prize in a draw game or draw game promotion.
(2) The lottery reserves the right to immediately halt draw game sales at any retail location to limit the liability to the lottery and its retailer. Sales may resume at the discretion of the lottery.

AUTHORITY: section 313.220, RSMo Supp. 2014.* Original rule filed Sept. 17, 1992, effective June 7, 1993. Amended: Filed Aug. 24, 2004, effective March 30, 2005. Amended: Filed July 15, 2014, effective Feb. 28, 2015.
*Original authority: 313.220, RSMo 1985, amended 1988, 1993, 1995, 2003.

## 12 CSR 40-85.175 Entry of Plays

PURPOSE: This rule provides acceptable methods of playing lottery draw games at retail locations.

Draw game plays may only be entered manually using the lottery terminal keypad or touch screen, or by means of inserting a playslip provided by the Missouri Lottery and handmarked by the player or by other means approved by the Missouri Lottery. Retailers shall not permit facsimile playslips, copies of playslips, or other materials not printed or approved by the Missouri Lottery to be inserted into the terminal's playslip reader. Retailers shall not permit any device to be connected to a lottery terminal to enter plays, except as approved by the Missouri Lottery.

AUTHORITY: section 313.220, RSMo Supp. 2014.* Original rule filed Feb. 4, 1993, effective Aug. 9, 1993. Amended: Filed July 15, 2014, effective Feb. 28, 2015.
*Original authority: 313.220, RSMo 1985, amended 1988, 1993, 1995, 2003.

