

**OREGON STATE LOTTERY
REPORT ON RULEMAKING
Division 52 - Oregon State Lottery Second Chance Drawings
May 16, 2016**

Proposed Rule Action:

AMEND:	OAR 177-052-0020	Eligibility
	OAR 177-052-0030	Entry Requirements
	OAR 177-052-0040	Odds of Winning
	OAR 177-052-0050	Selection of Winners
	OAR 177-052-0060	Winner Notification and Claiming of Prizes
	OAR 177-052-0070	Governing Law

Recommended Motion:

"I move that the administrative rules presented today be amended as proposed, effective June 7, 2016."

Background:

On April 13, 2016 the Director filed a Notice of Proposed Rulemaking Hearing to amend the above referenced administrative rules related to Lottery second chance drawings. The amendments clarify that the Lottery may conduct drawings with multiple winners and multiple prizes, and clarify the prize payment process when a prize winner is deceased.

Other amendments include various housekeeping and grammatical edits.

Commission approval is needed to adopt these rule amendments as permanent. The proposed rule amendments are in keeping with the Lottery's constitutional and statutory mandates.

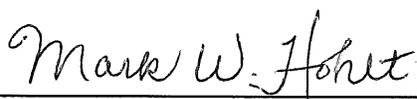
Public Comment:

The Lottery conducted a public hearing for the purpose of taking comments, and the report of that hearing has been provided to the Commission. The Lottery received no public comments.

Recommendation:

The Director recommends the permanent adoption of the proposed rule amendments.

Dated this 16th day of May 2016.



Mark W. Hohlt, Rules & Policies Manager
Oregon State Lottery

OREGON STATE LOTTERY
REPORT ON RULEMAKING HEARING
Division 52 - Oregon State Lottery Second Chance Drawings
May 16, 2016

Hearing Date: May 16, 2016
 9:00 a.m.

Administrative Rules:

AMEND:	OAR 177-052-0020	Eligibility
	OAR 177-052-0030	Entry Requirements
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Hearing Location: Oregon State Lottery Headquarters
 Salem, Oregon 97301

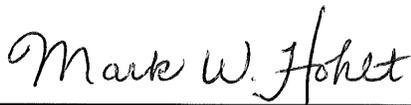
Summary of Hearing:

I convened the rulemaking hearing on the administrative rule referenced above, proposed for amendment by the Oregon Lottery Commission, on May 16, 2016 at 9:00 a.m. The hearing was tape recorded, and the tape is available for review.

Attending the hearing was Mark W. Hohlt, Rules and Policies Manager. No one else appeared. The Lottery did not receive any written or oral comments on the proposed rule amendments.

I adjourned the hearing at 9:30 a.m., and the public comment period closed at that same time.

Dated this 16th day of May 2016.



Mark W. Hohlt, Hearings Officer
Oregon State Lottery

OREGON STATE LOTTERY

DIVISION 52

OREGON STATE LOTTERY SECOND CHANCE DRAWINGS

2016 Rulemaking Project

June 7, 2016

OAR 177-052-0020 Eligibility

(1) **Requirements:** To be eligible to win a prize in a second chance drawing, a person must meet the following eligibility requirements:

- (a) Be a natural person 18 years of age or older;
- (b) Must reside in the United States;
- (c) Must be a registered member on a Lottery designated website;
- (d) Must submit a valid entry with the required information, through whichever method for entry the Lottery requires for the particular second chance drawing and by the deadline specified by the Lottery; and
- (e) Must not be:
 - (A) An employee or representative of the Lottery, or the spouse, child, brother, sister, or parent of any such employee or representative;
 - (B) An employee or representative of the Oregon State Police, Gaming Enforcement Division; or
 - (C) A Lottery vendor who **the Lottery is prohibited** by contract with the Lottery from participating in a second chance drawing or is **otherwise** prohibited from playing Lottery games.

(2) **Person Ineligible:** If at any time the Lottery determines that a person who submitted a second chance drawing entry does not meet the requirements listed in section (1) of this rule, that person is disqualified and is ineligible for a prize. ~~If the Lottery determines that a person who is disqualified is the winner of a second chance drawing prize, the prize will not be awarded to the winner and becomes an unclaimed prize and is the property of the Lottery Commission to be allocated to the benefit of the public purpose.~~

OAR 177-052-0030 Entry Requirements

(1) **Method of Entry:** The Lottery will determine the method of entry for any second chance drawing, ~~which may~~ **This** includes, but is not limited to, electronic entry through a website, mail, or walk-in entries.

(2) **Electronic Entry:** To submit a valid electronic entry, a person must:

(a) Register as a member on a Lottery designated website. A person may only have one active membership at a time;

(b) Enter **such information as the Lottery may specify on the designated website for each drawing, such as** the Game ID number, the **alphanumeric entry box** code, and ~~the~~ ticket **information code** from the Lottery game ticket that is eligible for the particular second chance drawing;

(c) Provide any additional information as required by the Lottery; and

(d) Submit the electronic entry prior to the deadline for submission of entries for the second chance drawing as announced by the Lottery.

(3) **Confirmation of Entry:** ~~Each~~ **For a** ticket and drawing entry **to be successfully entered into a drawing, the website** must ~~be~~ validate **each ticket and drawing entry, d through the website,** and **issue confirmation of the entry to the player.** ~~will be considered entered into the drawing once the player receives confirmation of the entry.~~

(4) **Ticket Requirements:** Only one Lottery game ticket or share may be used for each entry. If the second chance drawing specifies use of a Scratch-itSM ticket for entry into the drawing, only a Lottery Scratch-itSM game ticket from an active Scratch-itSM game, as specified by the Lottery, is eligible for entry into the second chance drawing. **The Lottery may specify in the terms and conditions applicable to a particular drawing that submission of certain tickets or shares may constitute more than one entry in that drawing.**

(5) **Single Entrant:** Only one person per entry may submit an entry for a second chance drawing. An entry with more than one name on the entry form is invalid.

(6) **Other Entry Requirements:** The Lottery may establish additional terms and conditions and entry requirements for any second chance drawing. These additional terms and conditions and entry requirements will be posted on a Lottery website or as otherwise announced by the Lottery.

(7) **Invalid Entry:** Failure to follow any of the terms and conditions or entry requirements of a second chance drawing ~~will~~ **invalidates** the entry. An invalid entry is void and is not eligible for a second chance drawing prize. **The Lottery does not return** ~~invalid entries will not be returned~~ to the entrant. ~~If the Lottery determines the winning entry is invalid, the prize shall be treated as an unclaimed prize and is the property of the Lottery Commission to be allocated to the benefit of the public purpose.~~

OAR 177-052-0040

Odds of Winning

General: The odds of winning a Lottery second chance drawing depend on the total number of entries received **and the total number of winners selected per drawing or game.**

OAR 177-052-0050

Selection of Winners

(1) **When Drawing Held:** ~~The A-Lottery will hold~~ second chance drawings ~~will be held~~ at such dates, times, places, and in such manner as ~~is~~ determined by the Lottery and ~~will be conducted~~ only after the deadline for submitting entries has closed, as announced by the Lottery. **At Lottery's discretion, the Lottery may select more than one winning entry in a second chance drawing, award more than one prize, and may select alternate winners. An alternate winner is only eligible to receive a prize if the prior selected winner (including any alternate winners selected) is ineligible or does not claim the prize. Lottery will announce the prize structure when the second chance drawing is posted to the Lottery's website or as otherwise announced by the Lottery.**

(2) **Random Drawing:** During ~~a the drawing for each available prize in a second chance drawing,~~ the Lottery, or a drawing agent, will randomly select a winning entry **or entries (including multiple winning entries for drawings with multiple prizes), and may also select alternate winners** from all the entries submitted for that drawing. **For each drawing, a player may receive only the highest single prize won.**

(3) **Selection of Entry or Entries:** To select a winning entry **or entries**, the Lottery, or a drawing agent, may conduct a manual or electronic drawing, or may use any other selection procedure as determined by the Lottery Director that ensures a random selection of a winning entry **or entries.**

(4) **Suspension or Cancellation of Drawing:** At the discretion of the Lottery Director, **the Director may suspend or cancel** a second chance drawing ~~may be suspended~~. If the Director suspends a drawing the Director may hold a replacement drawing or cancel the drawing. If the **Director cancels** a second chance drawing ~~is canceled~~, the Lottery, in its sole discretion, may provide an entrant who entered the drawing with a coupon for a Lottery product, or a promotional reward, the value of which shall be solely determined by the Lottery. This is an entrant's sole and exclusive remedy.

OAR 177-052-0060

Winner Notification and Claiming of Prizes

(1) **Second Chance Prize Notification:** If the entry is valid, the Lottery will notify the person who submitted the winning entry ("the winner") in a second chance drawing by e-mail. The Lottery may also notify the winner by telephone or by mailing a certified letter through the U.S. Postal Service. The effective date of notification is the date the initial e-mail notification is sent by the Lottery as noted electronically within the Lottery's information processing system.

(2) **Time Limits for Claiming Prize:** ~~Unless otherwise specified for a specific second chance drawing, a~~ winner **(including any eligible alternate winner)** of a second chance drawing has 60 calendar days from the date of the e-mail notification in which to claim the prize. A prize must be claimed by 5:00 p.m. on the last date to claim a prize. ~~and if not claimed by that date is an unclaimed prize.~~ If the final date of the claim period falls on a day when the Oregon Lottery Headquarters is not open to the general public, such as a weekend, Lottery holiday, or furlough closure day, the claim period ~~is shall be~~ extended until 5:00 p.m. on the next day the Oregon Lottery Headquarters **in Salem** is open to the general public.

(3) **Forfeiture of Prize:** If the **Lottery determines that a winner and any alternate winners** of a second chance drawing ~~are is determined by the Lottery to be~~ ineligible **or fail to claim the prize within the timeframe provided in section (2) of this rule, or if the entry and any alternate winning entries selected for that drawing are** ~~is~~ invalid, ~~or the winner fails to claim the prize within 60 calendar days as provided in section (2) of this rule, then~~ the prize is **treated as** an unclaimed prize and **remains the property of the Lottery Commission to be allocated to the benefit of the public purpose.**~~the winner forfeits the prize.~~

(4) **Winner Claim Forms:** To claim a prize in a second chance drawing, the winner must submit a winner claim form to the Lottery. To be valid, the winner claim form must contain the required information, such as name, address, signature or identifying mark, social security number (if applicable), and a valid reference number. Only the person who submitted the entry may claim the prize (the winner). A second chance drawing prize may not be claimed by multiple owners. **The Lottery must receive a** valid winner claim form ~~must be received by the Lottery~~ within the applicable time period for claiming a prize. **The Lottery will not accept an** ~~An~~ invalid winner claim form ~~will not be accepted by the Lottery~~ and will ~~be~~ returned **the claim form** to the claimant. The winner may resubmit a valid claim form as long as the time for claiming the prize has not expired.

(a) **Electronic Claim Form:** The Lottery may require that the winner submit an electronic ~~winner~~ claim form through the Internet.

(A) Receipt: ~~If the winner submits an electronic claim, the~~ ~~The electronic winner claim~~ form is received by the Lottery **only** when the ~~claim form~~ enters the Lottery's information processing system in a **form that is** retrievable **by the Lottery form.** ~~The electronic winner claim form will be deemed received and~~ at the time and date noted ~~electronically~~ by the Lottery's information processing system.

(B) Non-Receipt: **The Lottery is not responsible for any electronic transmission failures or errors.**

(C) Electronic Signature: An electronic winner claim form must include the winner's electronic signature that meets the requirements specified by the Lottery on the instructions for the winner claim form.

(b) **Paper Claim Form:** Unless specified otherwise, the Lottery may permit a winner to submit a paper ~~winner~~ claim form **by mail, delivery service, facsimile transmission, or in person.**

(A) Mail or Delivery Service: ~~The paper winner claim form is deemed received by fax to (503) 540-1001.~~ **If a winner claim form is submitted by mail or a delivery service that will deliver to a P.O. Box, it must be sent through the U.S. Mail or delivery service to the Oregon State Lottery, P.O. Box 14515, Salem, Oregon 97309 and must be documented as received by the Lottery according to the Lottery's internal procedures.**

(B) Facsimile Transmission: **If a winner claim form is submitted by facsimile transmission, it will be received by the Lottery only if it is successfully transmitted to (503) 540-1001 and receipt of the successful transmission is generated by the Lottery's facsimile machine.**

(C) In Person: **If a winner claim form is submitted in person by the winner, or through another individual or delivery service on behalf of the winner, the claim form must be delivered to and received by ~~or upon physical delivery to~~ the Oregon State Lottery, ~~at its~~ Player Services Office, 500 Airport Road SE, Salem, Oregon 97301, **(or at such other locations and for such prize amounts as may be designated by the Director)**, ~~either in person, or by delivery service, or through the U.S. mail to the Oregon State Lottery, P.O. Box 14515, Salem, Oregon 97309. The winner claim form must be received by the Lottery during~~ the Lottery's business hours ~~of~~, Monday through Friday, 8:00 a.m. to 5:00 p.m. **prevailing time PST**, excluding holidays and **other officially declared furlough** closure days.**

(D) Non-Receipt: **The Lottery is not responsible for non-receipt of a claim form due to failures to deliver or errors of the U.S. Mail, individuals, transmitting equipment, delivery services, or otherwise.**

(5) **Verification of Identity:** The Lottery may require the winner to present valid proof of identity to confirm that the winner is the registered member who submitted the second chance drawing entry. If the Lottery is unable to confirm the person claiming the prize is the registered member, the person is ineligible to receive a prize.

(6) **Delivery of Prize:** The Lottery may require the winner of a second chance drawing prize to claim the winner's prize **in person** at the Oregon State Lottery Headquarters, 500 Airport Road SE, Salem, Oregon 97301, **or at such other locations designated by the Director**, or the Lottery may mail or otherwise deliver the prize to the winner's address if it is within the United States.

(7) **Taxes and Fees:** Unless otherwise stated by the Lottery in the terms and conditions for a particular second chance drawing, all taxes and fees are the responsibility of the winner claiming the prize.

(8) Deceased Winner: If the winner of a second chance drawing prize is deceased, the Lottery may make payment of the prize to the estate of the deceased prize winner.

(a) General: The Director may rely on the presentment of certified copies of the court's appointment of a personal representative, the death certificate for the deceased prize winner, or other evidence of a person entitled to the payment of prize winnings when due and may make payment to the estate of the deceased prize winner once the Director is satisfied that such payment is lawful and proper.

(b) Release Form: For a deceased prize winner, the personal representative of the winner's estate must sign the Lottery release form on behalf of the estate before payment of the prize or any remaining portions of the prize to the estate.

(c) Court Petition: The Director reserves the right to petition any court of competent jurisdiction to determine the proper payment of any prize due to a deceased prize winner.

OAR 177-052-0070

Governing Law

(1) Compliance with Law and Terms and Conditions: By entering a Lottery second chance drawing, a person agrees to abide by and comply with Oregon law, including the statutes and administrative rules governing Lottery second chance drawings, and any additional terms and conditions and entry requirements for a second chance drawing as posted by the Lottery, which are in effect, and which may be amended from time to time.

(2) Decisions of the Director: The decisions of the Lottery Director **are final.** ~~This includes, including,~~ but **is** not limited to, the amount or nature of a prize, the validity of an entry, whether an entry is a winner, whether it was submitted in error, and whether an entrant has won a prize, ~~are final.~~