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ARTICLE 48:03

ON-LINE LOTTERY REQUIREMENTS

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**ARTICLE 48:03**

**ON-LINE LOTTERY REQUIREMENTS**

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**CHAPTER 48:03:01**

**GENERAL PROVISIONS**

Section

48:03:01:01 Definitions.

**48:03:01:01.  Definitions.** Terms used in this article are defined as follows:

(1)  "AC power," alternating current electricity;

(2)  "Central computer system," a computer system designed to control, monitor, communicate with on-line terminals, and record the plays processed by the on-line terminals;

(2A)  "Chain," a group of two or more retail establishments that are owned, leased, or otherwise controlled by one person or entity;

(3)  "Drawing," the formal process of selecting winning numbers or symbols that determine the number of winners for each prize level of the game;

(4)  "On-line game," a lottery game authorized by the commission in which a player may select a combination of numbers or symbols, the type of game, amount of play, and the drawing date by use of an on-line terminal that is in direct communication with a central computer system;

(5)  "On-line retailer," a person or entity authorized by the lottery to sell on-line tickets;

(6)  "On-line terminal," a device authorized by the lottery to function in an on-line, interactive mode with the lottery's central computer system for the purpose of issuing and validating on-line tickets; entering, receiving, and processing lottery transactions; and transmitting reports;

(7)  "On-line ticket" or "ticket," a computer-generated ticket issued by an on-line terminal to a player as a receipt for the combination of numbers or symbols the player has selected;

(8)  "Player-activated terminal," an on-line terminal that is located on the business premises of an on-line retailer and that is operated by a player;

(9)  "Quick pick" or "computer pick," the random selection of numbers or symbols by the on-line terminal issued on a ticket and used by a player in an on-line game;

(10)  "Ticket bearer," the person who has signed the on-line ticket or who has possession of an unsigned on-line ticket;

(11)  "Validation" or "validate," the process of determining whether a ticket presented for a prize is a winning ticket;

(12)  "Winning combination" or "winning numbers," one or more numbers of symbols randomly selected by the lottery in a public drawing to determine winning plays.

**Source:** 17 SDR 51, effective October 8, 1990; 18 SDR 173, effective April 19, 1992; 36 SDR 215, effective July 1, 2010; 39 SDR 100, effective December 5, 2012.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-1, 42-7A-4(4).

**CHAPTER 48:03:02**

**SALE AND DISTRIBUTION OF ON-LINE TICKETS**

Section

48:03:02:01 Sale of on-line tickets.

48:03:02:02 Selection of on-line retailers.

48:03:02:03 Repealed.

48:03:02:04 On-line retailer's duties.

48:03:02:05 Suspension or revocation of license.

48:03:02:06 Imposition of civil fines.

48:03:02:07 Hearing on suspension or revocation of license and imposition of civil fines.

48:03:02:08 Scheduling of hearings.

48:03:02:09 On-line retailer commissions.

48:03:02:10 Incentive commissions.

48:03:02:11 Collection of on-line game sales and settlement.

**48:03:02:01.  Sale of on-line tickets.** On-line tickets may only be sold by on-line retailers authorized by the executive director under § 48:03:02:02. The executive director shall arrange for the distribution of terminals, ticket stock, and supplies to authorized on-line retailers. An on-line ticket may only be sold at the approved location listed on the on-line retailer's license. For purposes of this section, all elements of the sale transaction between the on-line retailer and purchaser must take place at the on-line terminal, including the exchange of consideration, the exchange of a playslip if one is used, and the exchange of the on-line ticket. Nothing in this chapter shall be construed to prohibit the lottery from designating certain of its agents and employees to sell lottery tickets directly to the public or to prevent a person who may lawfully purchase tickets from making a gift of lottery tickets to another.

**Source:** 17 SDR 51, effective October 8, 1990; 18 SDR 173, effective April 19, 1992.

**General Authority:** SDCL 42-7A-4, 42-7A-21.

**Law Implemented:** SDCL 42-7A-21, 42-7A-32.

**48:03:02:02.  Selection of on-line retailers.** The executive director shall select as on-line retailers the persons or entities determined best able to serve the public convenience and promote the sale of on-line tickets. Each retailer must meet the criteria set forth in SDCL 42-7A-10. Any retailer licensed on or after July 1, 2010, shall be authorized to sell both instant and on-line tickets except a retailer licensed pursuant to § 48:01:05:05.

**Source:** 17 SDR 51, effective October 8, 1990; 36 SDR 215, effective July 1, 2010.

**General Authority:** SDCL 42-7A-21.

**Law Implemented:** SDCL 42-7A-10.

**48:03:02:03.  On-line retailer's fees.** Repealed.

**Source:** 17 SDR 51, effective October 8, 1990; repealed, 36 SDR 215, effective July 1, 2010.

**48:03:02:04.  On-line retailer's duties.** Specific duties of an on-line retailer are as follows:

(1)  Pay all costs associated with providing a regular use telephone located near the terminal to allow use of both the telephone and the terminal for operation assistance;

(2)  Provide dedicated AC power to within approximately five feet of the terminal. Dedicated AC power means that there is no other equipment on the line except the on-line terminal. The retailer is responsible for all costs associated with providing the dedicated AC power;

(3)  Provide space for the operation of the on-line terminal at a location approved by the lottery. An on-line retailer may not move an on-line terminal without permission of the lottery and shall reimburse the lottery for any telephone charges associated with the change of location, unless the change was required by the lottery;

(4)  Conduct and promote the sale of on-line tickets authorized in this article during all of the retailer's business hours in which the on-line system is functioning;

(5)  Maintain on-line ticket sales levels as established by the lottery;

(6)  Promote and sell instant game tickets;

(7)  Be financially responsible and personally liable to the lottery for all revenues derived from the sale of lottery tickets and all tickets cashed that are presented to the lottery for payment;

(8)  Post winning numbers prominently where tickets are sold as soon as possible following the drawing;

(9)  Prominently post point-of-sale materials, exterior signs, displays, and promotional and informational materials supplied by the lottery;

(10)  Attend all training sessions and notify the lottery of new employees who need training for the operation of on-line terminals;

(11)  Exercise diligence in the operation and care of the on-line terminal and immediately notify the lottery call center of any on-line terminal malfunction;

(12)  Provide secure areas for the storage of terminal supplies and placement;

(13)  Be personally liable for any loss or damage to the on-line terminal;

(14)  Permit a representative of the lottery to conduct on-site inspections of lottery property and on-line ticket sales accounting records during the retailer's normal hours of operation;

(15)  Permit the removal of lottery property by a representative of the lottery during the retailer's normal hours of operation;

(16)  Provide for the cashing of on-line tickets and pay all claims in cash or business check up to a maximum of $100, regardless of where the winning on-line lottery ticket was purchased;

(17)  Replace ticket stock as required in the on-line terminal;

(18)  Perform no mechanical or electrical maintenance on the on-line terminal;

(19)  Notify the lottery in writing of a change of address or a change of ownership interest in the business at least 30 days before the change. On-line tickets may not be sold at a location other than the address listed on the on-line retailer's license;

(20)  Notify the lottery in writing 14 days in advance of a change of the bank account maintained for the deposit of on-line revenues pursuant to § 48:03:02:11;

(21)  Prominently display the on-line retailer license in the area of the on-line terminal so that it is clearly visible to the public; and

(22)  Monitor the sale of lottery tickets to ensure no person under 18 years of age purchases a ticket.

**Source:** 17 SDR 51, effective October 8, 1990; 30 SDR 52, effective October 28, 2003; 39 SDR 100, effective December 5,2012.

**General Authority:** SDCL 42-7A-21(3)(13)(14)(17).

**Law Implemented:** SDCL 42-7A-8(9), 42-7A-10, 42-7A-11, 42-7A-12, 42-7A-21(13)(17), 42-7A-32.

**48:03:02:05.  Suspension or revocation of license.** The commission may suspend or revoke an on-line retailer license for any violation of or noncompliance with the provisions of SDCL 42-7A or this article.

**Source:** 17 SDR 51, effective October 8, 1990; 30 SDR 52, effective October 28, 2003.

**General Authority:** SDCL 42-7A-21(16)(17).

**Law Implemented:** SDCL 42-7A-4(12), 42-7A-11, 42-7A-56(3).

**48:03:02:06.  Imposition of civil fines.** The commission may impose civil fines authorized in SDCL 42-7A-4(12) in lieu of or in addition to other actions taken against a licensee.

**Source:** 17 SDR 51, effective October 8, 1990.

**General Authority:** SDCL 42-7A-21(16).

**Law Implemented:** SDCL 42-7A-4(12).

**48:03:02:07.  Hearing on suspension or revocation of license and imposition of civil fines.** A notice and hearing regarding suspension or revocation of a license or violations of SDCL 42-7A and this article shall be conducted by the commission in accordance with the contested case provisions of SDCL 1-26.

**Source:** 17 SDR 51, effective October 8, 1990.

**General Authority:** SDCL 42-7A-4, 42-7A-21.

**Law Implemented:** SDCL 42-7A-4, 42-7A-21.

**48:03:02:08.  Scheduling of hearings.** Hearings by the commission on suspension or revocation of a license or violations of SDCL 42-7A and this article shall be held at its next regularly scheduled monthly meeting provided the notice of hearing is sent at least ten days before the meeting date.

**Source:** 17 SDR 51, effective October 8, 1990.

**General Authority:** SDCL 42-7A-4, 42-7A-21.

**Law Implemented:** SDCL 42-7A-4, 42-7A-21.

**48:03:02:09.  On-line retailer commissions.** A commission of five percent shall be paid for each on-line ticket sold by the on-line retailer from an on-line terminal.

**Source:** 17 SDR 51, effective October 8, 1990; 39 SDR 100, effective December 5, 2012.

**General Authority:** SDCL 42-7A-21(8).

**Law Implemented:** SDCL 42-7A-21(8).

**48:03:02:10.  Incentive commissions.** The lottery commission may authorize incentive commissions for on-line retailers. The incentive may not exceed one percent of gross on-line ticket sales. The formula used to determine incentives shall be the same for all on-line retailers selling a particular on-line game. The lottery shall publish the formula and provide it to all on-line retailers. Incentives may be paid in either cash or merchandise.

**Source:** 17 SDR 51, effective October 8, 1990; 18 SDR 173, effective April 19, 1992.

**General Authority:** SDCL 42-7A-21(8).

**Law Implemented:** SDCL 42-7A-21(8).

**Declaratory Ruling 11-1:** Incentive commissions are authorized for on-line retailers who sell certain valid winning tickets for on-line games. Such incentive commissions are authorized in formula below. Retailers must be actively engaged in the sale of on-line tickets and current in Lottery obligations to qualify for incentive commissions which will be paid only after winning tickets have been claimed and paid. If multiple tickets eligible for incentive commissions to retailers are sold in the same drawing, incentive commissions will be paid, limited, and divided equally per the formula below:

The formula below is effective January 13, 2013, and supersedes Ruling 11-1.

|  |  |  |
| --- | --- | --- |
| **Prize** | Commission | **Pay, Limit, and Equal Division of Incentive Commission** |
|  |  |  |
| **Powerball®** |  |  |
| Jackpot | $50,000 | Pay 1; over 1 divide $50,000 and pay all equally. |
| $1,000,000 | $20,000 | Pay 1; over 1 divide $20,000 and pay all equally. |
| $10,000 | $1,000 | Pay 2; over 2 divide $2,000 and pay all equally. |
|  |  |  |
| **Powerball Power Play®** | | |
| Jackpot | $50,000 | Pay 1; over 1 divide $50,000 and pay all equally. |
| $2,000,000 | $20,000 | Pay 1; over 1 divide $20,000 and pay all equally. |
| $40,000 | $4,000 | Pay 2; over 2 divide $8,000 and pay all equally. |
|  |  |  |
| **Mega Millions®** | |  |
| Jackpot | $50,000 | Pay 1; over 1 divide $50,000 and pay all equally. |
| $250,000 | $10,000 | Pay 1; over 1 divide $20,000 and pay all equally. |
| $10,000 | $1,000 | Pay 2; over 2 divide $2,000 and pay all equally. |
|  |  |  |
| **Megaplier®** |  |  |
| Jackpot | $50,000 | Pay 1; over 1 divide $50,000 and pay all equally. |
| $250,000 | $20,000 | Pay 1; over 1 divide $20,000 and pay all equally. |
| $10,000 | $1,000 | Pay 2 ($1,000 x the Megaplier number); over 2 divide  2 x ($1,000 x the Megaplier) and pay all equally. |
|  |  |  |
| **Hot Lotto** |  |  |
| Jackpot | $10,000 | Pay 1; over 1 divide $10,000 and pay all equally. |
| $10,000 | $1,000 | Pay 5; over 5 divide $5,000 and pay all equally. |
|  |  |  |
| **Hot Lotto Sizzler** |  |  |
| Jackpot | $10,000 | Pay 1; over 1 divide $10,000 and pay all equally. |
| $30,000 | $3,000 | Pay 2; over 2 divide $6,000 and pay all equally. |
|  |  |  |
| **Wild Card 2** |  |  |
| Jackpot | 1% of prize | Pay 1; over 1 divide commission and pay all equally. |
|  |  | Capped @ $10,000. |
| $6,000 | $600 | Pay 10; over 10 divide $6,000 and pay all equally. |
|  |  |  |
| **Dakota Cash** |  |  |
| Jackpot | 5% of prize | Pay 1; over 1 divide commission and pay all equally. |
|  |  | Capped @ $5,000. |
|  |  |  |
| Dated this 19th day of December, 2012. | | |

**48:03:02:11.  Collection of on-line game sales and settlement.** On-line retailers shall establish an account for deposit of moneys derived from on-line games with a financial institution that is capable of electronic funds transfer (EFT). The amount deposited must be sufficient to cover moneys due the lottery. The lottery shall withdraw the amount due the lottery weekly by EFT on a day specified by the lottery. If the day specified for withdrawal falls on a federal or state holiday, withdrawal will be accomplished on the following business day. The funds generated from the sale of on-line tickets are held in trust for the lottery and state of South Dakota.

**Source:** 17 SDR 51, effective October 8, 1990.

**General Authority:** SDCL 42-7A-8(9).

**Law Implemented:** SDCL 42-7A-8(9).

**CHAPTER 48:03:03**

**ON-LINE TICKET PAYMENT AND VALIDATION**

Section

48:03:03:01 Ticket ownership and prize entitlements.

48:03:03:02 Ticket validation requirements.

48:03:03:03 Remedy for disputed or defective ticket.

48:03:03:04 Prize claiming procedures.

48:03:03:05 Disclosure of winner.

48:03:03:06 Unclaimed prizes.

48:03:03:07 Prize payment to winner's estate.

**48:03:03:01.  Ticket ownership and prize entitlements.** Until a signature is placed on the back of an on-line ticket in the area designated for signature, the ticket is owned by its physical possessor. Once a signature is placed on the back of the ticket in the designated area, the person whose signature appears in the designated area is the owner of the ticket and is entitled to any prize attributable to the ticket. Notwithstanding the name or names submitted on a claim form, the lottery shall pay the prize to the person whose signature appears on the back of the ticket in the designated area. If the signatures of more than one person appear in that area, the lottery shall pay the prize to the person identified on the winner's claim form to receive payment, as designated by all persons whose signatures appear on the back of the ticket. If all persons whose signatures appear on the back of the ticket in the designated area cannot identify one person to whom payment is to be made, the lottery may withhold payment until the proper payee is determined. Only one person is entitled to payment of a particular prize. The lottery shall pay or award the prize for each on-line game winning ticket to the person judged by the executive director to be the holder of the winning ticket. No prize may be awarded nor does any liability attach to the lottery for tickets not submitted for validation or for the announcement or dissemination of incorrect numbers drawn.

**Source:** 17 SDR 51, effective October 8, 1990; 19 SDR 148, effective April 4, 1993.

**General Authority:** SDCL 42-7A-21(3).

**Law Implemented:** SDCL 42-7A-34.

**48:03:03:02.  Ticket validation requirements.** All claims for prizes are subject to validation by the lottery. An on-line ticket is the only evidence acceptable to the lottery for prize payment. An on-line game ticket must meet all of the following validation requirements:

(1)  The ticket validation number must be presented in its entirety and correspond, using the computer validation file, to the selected numbers printed on the ticket for the date printed on the ticket;

(2)  The ticket must have been issued directly to an on-line retailer by the lottery;

(3)  The play evidenced by the ticket must reach, be accepted, and be recorded by the central computer. The information on the ticket must correspond precisely with the lottery's computer record;

(4)  The ticket data must have been recorded in the central computer system prior to the cutoff time for the drawing. The executive director shall specify the cutoff time for each authorized on-line game. Even if it appears that a play is accepted by virtue of the fact that a ticket is printed, any play placed after the cutoff time is not eligible for that drawing regardless of when the drawing is held;

(5)  The ticket serial number must appear in its entirety and correspond, using the computer validation file, to the winning game play or plays printed on the ticket;

(6)  The numbers selected by the player, the validation number data, and the drawing data of an apparent winning ticket must appear on the official file of winning tickets, and a ticket with that exact data must not have been previously paid;

(7)  A ticket is void unless the ticket is printed on a paper stock roll that was validly issued to and used at the time of the play by the on-line retailer from whom the ticket was purchased;

(8)  The ticket must not be counterfeit, altered, mutilated, unreadable, tampered with in any manner, incomplete, or defective; and

(9)  The ticket must pass all other confidential security checks of the lottery.

By submitting an on-line ticket for validation, the player agrees to abide by the rules of the lottery. An on-line game ticket that does not pass all of the validation checks of this section is considered void and shall not be paid. The final determination on validation rests with the executive director.

**Source:** 17 SDR 51, effective October 8, 1990; 18 SDR 173, effective April 19, 1992.

**General Authority:** SDCL 42-7A-21(2), 42-7A-21(3).

**Law Implemented:** SDCL 42-7A-34.

**48:03:03:03.  Remedy for disputed or defective ticket.** If the executive director and a claimant dispute as to whether a ticket is a winning ticket and if the executive director determines that the ticket is not valid and does not pay the prize, the executive director may replace the disputed ticket with a ticket of equivalent sales price for a future drawing of the current game or refund the cost of the ticket. These are the sole remedies of the claimant. If a defective on-line ticket is purchased, the only responsibility or liability of the lottery, the on-line vendor, or the on-line retailer is the replacement of the defective on-line ticket with another on-line ticket for a future drawing of the same game.

**Source:** 17 SDR 51, effective October 8, 1990; 30 SDR 52, effective October 28, 2003.

**General Authority:** SDCL 42-7A-21(3)(17).

**Law Implemented:** SDCL 42-7A-23, 42-7A-34.

**48:03:03:04.  Prize claiming procedures.** Prizes for validated, winning on-line tickets must be claimed in the following manner:

(1)  To claim an on-line game prize of $100 or less, the claimant may present the winning on-line ticket to any on-line retailer, to any lottery regional office, or to the main office of the lottery in Pierre in person. A claim, regardless of the amount, may also be presented to the lottery by mailing the ticket together with a completed claim form to the main lottery office in Pierre;

(2)  If the claim is presented to an on-line retailer, the on-line retailer shall validate the claim and, if the ticket is determined to be a winning ticket, make payment of the amount due the claimant. For prizes over $100, the claimant shall complete a claim form obtained from the retailer and submit it with the winning ticket. If the on-line retailer cannot validate the claim, the claimant may obtain and complete a claim form and submit it with the disputed ticket to the lottery by mail or in person. If the ticket is determined to be a winning ticket, the lottery shall present or mail a check to the claimant in payment of the amount due. If the ticket is determined not to be a winning ticket, the claim shall be denied and the claimant shall be promptly notified. Nonwinning tickets will not be returned to the claimant;

(3)  If the claim is presented to a lottery regional office or to the lottery main office, the claimant shall complete a claim form for prizes over $100 and submit it with the winning ticket in person. If the ticket is determined to be a winning ticket, the lottery shall present or mail a check to the claimant in payment of the amount due, less any withholding required by federal laws or the provisions of SDCL 42-7A-52. If the ticket is determined not to be a winning ticket, the claim shall be denied and the claimant shall be promptly notified. Nonwinning tickets will not be returned to the claimant;

(4)  To claim an on-line prize of more than $100, the claimant shall obtain and complete a claim form and submit it with the winning ticket to a lottery regional office or to the lottery main office in Pierre. However, for the largest prize category of an on-line game the lottery may require the prize be claimed and paid from the lottery main office in Pierre. Upon determination that the ticket is a winning ticket, the lottery shall process for payment the amount due, less any withholding required by federal laws or the provisions of SDCL 42-7A-52. The amount due shall be calculated according to the rules adopted for the particular on-line game. If the ticket is determined not to be a winning ticket, the claim shall be denied and the claimant shall be promptly notified. Nonwinning tickets will not be returned to the claimant.

**Source:** 17 SDR 51, effective October 8, 1990; 39 SDR 100, effective December 5, 2012.

**General Authority:** SDCL 42-7A-21(3).

**Law Implemented:** SDCL 42-7A-23, 42-7A-34.

**Cross-Reference:** Powerball game rules, § 48:03:06:05.

**48:03:03:05.  Disclosure of winner.** The lottery may publish the name, city, state of residence, and prize amount of on-line winners.

**Source:** 17 SDR 51, effective October 8, 1990; 29 SDR 176, effective June 30, 2003.

**General Authority:** SDCL 42-7A-21(17).

**Law Implemented:** SDCL 42-7A-21(17).

**48:03:03:06.  Unclaimed prizes.** All prizes must be claimed within 180 days after the date of the drawing in which the prize was won. If the final day of the 180-day period falls on a Saturday, Sunday, or state holiday, the claim period ends on the next business day. Unclaimed prizes or shares of the jackpot prize for any on-line game do not increase a prize simultaneously won by another player in the game. Prizes not claimed within the specified period shall be added to the prize pools of subsequent lottery games.

**Source:** 17 SDR 51, effective October 8, 1990.

**General Authority:** SDCL 42-7A-21(3), 42-7A-21(9).

**Law Implemented:** SDCL 42-7A-23, 42-7A-34.

**48:03:03:07.  Prize payment to winner's estate.** If a lottery winner dies during the payment period of an annuitized prize, the commission, in its sole discretion and upon the petition of the estate of the lottery winner, may accelerate the payment of all the remaining lottery proceeds to the estate. If the commission approves the request, the securities or cash, or both, held for the deceased lottery winner which represents the present value of that portion of the future lottery payments to be accelerated shall be distributed to the estate. The commission is solely responsible for the valuation of the securities and determination of the present value of the accelerated lottery payments.

**Source:** 19 SDR 148, effective April 4, 1993.

**General Authority:** SDCL 42-7A-34.

**Law Implemented:** SDCL 42-7A-21(3).

**CHAPTER 48:03:04**

**ON-LINE DRAWINGS**

Section

48:03:04:01 Location, time, and dates of drawings.

48:03:04:02 Designation of drawing officials -- Drawing procedures.

48:03:04:03 Designation of drawing equipment.

48:03:04:04 Postponed or void drawings.

48:03:04:05 Broadcasts of drawings.

48:03:04:06 Grounds for delaying payment.

**48:03:04:01.  Location, time, and dates of drawings.** The executive director shall designate the location, dates, and times of drawings for on-line lottery games and shall announce the drawing to the public. For each type of on-line game, the executive director shall establish a time prior to the drawing for the end of sales. Drawings for on-line games shall be open to the public and recorded electronically.

**Source:** 17 SDR 51, effective October 8, 1990; 39 SDR 100, effective December 5, 2012.

**General Authority:** SDCL 42-7A-21(2).

**Law Implemented:** SDCL 42-7A-21(2).

**48:03:04:02.  Designation of drawing officials -- Drawing procedures.** The executive director shall designate a drawing manager, security officer, and auditor who shall oversee each drawing. The winning on-line number shall be selected by a random drawing. Each drawing shall be conducted in a manner that ensures complete integrity of the drawing process. The drawing officials shall conduct and monitor each drawing in accordance with established drawing procedures that include the following:

(1)  The designated location, time, and day of the drawing;

(2)  The testing and certification of all drawing and associated equipment. Tests shall be conducted before and after each drawing to assure proper equipment operation and no tampering or fraud;

(3)  The recording, sealing, and locking of all drawing and associated equipment used for each drawing;

(4)  The manner of starting the drawing;

(5)  The recording of winning numbers;

(6)  Electronic recording of each pretest, live drawing, and post-test;

(7)  The review and balance of final on-line ticket sales to certify the grand prize drawing amount; and

(8)  The written certification to the executive director that the drawing was conducted in accordance with all drawing procedures and rules.

**Source:** 17 SDR 51, effective October 8, 1990; 19 SDR 148, effective April 4, 1993; 39 SDR 100, effective December 5, 2012.

**General Authority:** SDCL 42-7A-4(1)(2)(3), 42-7A-21(2).

**Law Implemented:** SDCL 42-7A-21(2).

**48:03:04:03.  Designation of drawing equipment.** The executive director shall designate the type of equipment to be used in the random selection of the winning combination for each type of on-line game. The lottery shall provide for backup drawing equipment to be used if the primary drawing equipment malfunctions or fails for any reason. The equipment used to determine the winning combination may not be electronically or otherwise connected to the central computer or to any tapes, discs, or files generated by the central computer. The equipment shall be tested prior to and after each drawing to assure proper operation and no tampering or fraud. Drawings may not be held until all preinspection checks are completed. No prizes may be paid until after all postinspection checks have been completed.

**Source:** 17 SDR 51, effective October 8, 1990.

**General Authority:** SDCL 42-7A-21(2), 42-7A-21(4).

**Law Implemented:** SDCL 42-7A-21(2), 42-7A-21(4).

**48:03:04:04.  Postponed or void drawings.** The executive director may postpone or void a drawing and authorize redrawings for any of the following reasons:

(1)  Malfunction of the drawing equipment before the winning combination is determined;

(2)  Electronic recording malfunctions during the drawing;

(3)  Fouled drawing;

(4)  Delayed drawing;

(5)  Other equipment, facility, or personnel difficulties; and

(6)  Potential or actual security breaches.

**Source:** 17 SDR 51, effective October 8, 1990; 39 SDR 100, effective December 5, 2012.

**General Authority:** SDCL 42-7A-21(2), 42-7A-21(4).

**Law Implemented:** SDCL 42-7A-21(2), 42-7A-21(4).

**48:03:04:05.  Broadcasts of drawings.** All drawings may be broadcast live on television if the facilities for such broadcasts are available. If a drawing is voided or postponed and a redrawing is authorized, the drawing must be completed under lottery supervision. The winning combination shall be provided to the television network for dissemination to the public.

If, during any live broadcast of the drawing an equipment malfunction or operator error causes an interruption in the selection of numbers or symbols, the auditor shall call a foul. Any numbers displayed or drawn for which a foul is called are void and no prize payments may be awarded. Any numbers drawn may not be declared winning numbers until the drawing is certified by the lottery. Only numbers drawn in a drawing certified by the lottery are considered the actual winning numbers on which prizes will be paid.

**Source:** 17 SDR 51, effective October 8, 1990; 19 SDR 148, effective April 4, 1993; 39 SDR 100, effective December 5, 2012.

**General Authority:** SDCL 42-7A-21(2).

**Law Implemented:** SDCL 42-7A-21(2).

**48:03:04:06.  Grounds for delaying payment.** The executive director shall delay payment of all prizes if any evidence exists or there are grounds for suspicion that equipment malfunction, tampering, or fraud has occurred during a drawing. Payment shall be made after an investigation is completed and the drawing is approved by the drawing manager. If the drawing is not approved, the executive director shall declare it void and authorize a redrawing to be conducted to determine the winning numbers or symbols.

**Source:** 17 SDR 51, effective October 8, 1990.

**General Authority:** SDCL 42-7A-21(3).

**Law Implemented:** SDCL 42-7A-21(2), 42-7A-21(3).

**CHAPTER 48:03:05**

**ON-LINE TICKET SALES ON INDIAN RESERVATIONS**

Section

48:03:05:01 Placement of on-line terminals and sales of on-line tickets on Indian reservations authorized.

48:03:05:02 Payment to tribal governments.

48:03:05:03 Accounting records made available.

48:03:05:04 Transfer of funds.

**48:03:05:01.  Placement of on-line terminals and sales of on-line tickets on Indian reservations authorized.** On-line terminals may be placed and operated and on-line lottery tickets may be sold within the exterior boundaries of Indian reservations in the state. The sale of on-line lottery tickets is subject to the provisions of SDCL chapter 42-7A and this article and the terms of the compact made between each tribal government and the state pursuant to the authority contained in the federal Indian Gaming Regulatory Act, 25 U.S.C. § 2710(3)(A) (1988).

**Source:** 17 SDR 51, effective October 8, 1990.

**General Authority:** SDCL 42-7A-19.1, 42-7A-49.

**Law Implemented:** SDCL 42-7A-19.1.

**Note:** Executed state-tribal compacts under the federal Indian Gaming Regulatory Act are filed with the Secretary of State.

**48:03:05:02.  Payment to tribal governments.** The lottery shall pay each tribal government 50 percent of the state's net proceeds as defined in SDCL 42-7A-24 from the sale of on-line lottery tickets within the exterior boundaries of its reservation.

**Source:** 17 SDR 51, effective October 8, 1990.

**General Authority:** SDCL 42-7A-19.1, 42-7A-49.

**Law Implemented:** SDCL 42-7A-19.1.

**48:03:05:03.  Accounting records made available.** The lottery shall make available to each tribal government an accounting of on-line lottery ticket sales within the exterior boundaries of its reservation. The lottery shall remit to the tribal governments only the funds specified in § 48:03:05:02. The lottery shall hold the funds in an escrow account on behalf of the respective tribal governments and transfer them each year in accordance with the provisions of SDCL 42-7A-24.

**Source:** 17 SDR 51, effective October 8, 1990.

**General Authority:** SDCL 42-7A-19.1, 42-7A-49.

**Law Implemented:** SDCL 42-7A-19.1, 42-7A-24.

**48:03:05:04.  Transfer of funds.** The lottery shall transfer funds from the sale of on-line lottery tickets held in escrow to the person or entity designated in the agreement negotiated between each tribal government and the state under § 48:03:05:01.

**Source:** 17 SDR 51, effective October 8, 1990.

**General Authority:** SDCL 42-7A-19.1, 42-7A-49.

**Law Implemented:** SDCL 42-7A-19.1.

**Note:** Executed state-tribal compacts under the federal Indian Gaming Regulatory Act are filed with the Secretary of State.

**CHAPTER 48:03:06**

**POWERBALL GAME**

Section

48:03:06:01 Participation in Powerball authorized.

48:03:06:02 Repealed.

48:03:06:03 Purchase of Powerball tickets.

48:03:06:04 Ineligible players.

48:03:06:05 Powerball game rules.

**48:03:06:01.  Participation in Powerball authorized.** The lottery may participate in the Powerball game operated by the Multi-State Lottery Association.

**Source:** 17 SDR 51, effective October 8, 1990; 18 SDR 173, effective April 19, 1992.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-4(13).

**48:03:06:02.  Definitions.** Repealed.

**Source:** 17 SDR 51, effective October 8, 1990; repealed, 18 SDR 173, effective April 19, 1992.

**48:03:06:03.  Purchase of Powerball tickets.** A player may purchase a Powerball ticket for up to nine future drawing dates.

**Source:** 17 SDR 51, effective October 8, 1990; 18 SDR 173, effective April 19, 1992.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-4(13).

**48:03:06:04.  Ineligible players.** A Powerball ticket may not be purchased by or a prize paid to any of the following persons:

(1)  A member of the commission or an employee of the lottery;

(2)  An officer or employee of a company or business that currently supplies equipment, supplies, or services being used directly in the operation of the lottery's on-line games; or

(3)  An immediate family member of an individual described in subdivisions (1) and (2) of this section who reside in the same household.

**Source:** 17 SDR 51, effective October 8, 1990; 18 SDR 173, effective April 19, 1992.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-4(13).

**48:03:06:05.  Powerball game rules.** The "Powerball Group Rules" of the Multi State Lottery Association, as amended February 4, 2021, are the rules of the lottery for the Powerball game.

**Source:** 17 SDR 51, effective October 8, 1990; 18 SDR 173, effective April 19, 1992; 19 SDR 62, effective October 27, 1992; 19 SDR 148, effective April 4, 1993; 20 SDR 166, effective April 12, 1994; 24 SDR 31, effective September 17, 1997; 26 SDR 87, effective January 6, 2000; 27 SDR 91, effective March 18, 2001; 28 SDR 150, effective May 7, 2002; 29 SDR 43, effective October 6, 2002; 29 SDR 176, effective June 30, 2003; 30 SDR 52, effective October 28, 2003; 32 SDR 37, effective August 8, 2005; 35 SDR 171, effective December 29, 2008; 37 SDR 111, effective December 8, 2010; 38 SDR 116, effective January 11, 2012; 40 SDR 57, effective October 8, 2013; 42 SDR 43, effective September 30, 2015; 42 SDR 105, effective January 25, 2016; 43 SDR 57, effective October 17, 2016; 44 SDR 106, effective December 26, 2017; 47 SDR 126, effective May 31, 2021.

**General Authority:** SDCL 42-7A-21(1)(3)(4).

**Law Implemented:** SDCL 42-7A-4(13).

**Reference:** The "Powerball Group Rules" of the Multi State Lottery Association, as amended February 4, 2021, may be obtained at no cost from the South Dakota Lottery, 711 East Wells Avenue, Pierre, South Dakota 57501-7107.

**CHAPTER 48:03:07**

**DAKOTA CASH GAME**

Section

48:03:07:01 Dakota Cash game authorized.

48:03:07:02 Definitions.

48:03:07:03 Game description.

48:03:07:04 Ticket purchases.

48:03:07:05 Prize pool and prize reserves.

48:03:07:06 Prize pool percentage allocations.

48:03:07:07 Jackpot prize.

48:03:07:08 Prize pool carry-over -- Sources of funding for set prizes.

48:03:07:09 Prize payment and validation.

48:03:07:10 Ineligible players.

**48:03:07:01.  Dakota Cash game authorized.** The lottery may offer and operate the Dakota Cash game.

**Source:** 19 SDR 148, effective April 4, 1993.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-21(1).

**48:03:07:02.  Definitions.** Terms used in this chapter are defined as follows:

(1)  "Game board" or "boards," that area of the play slip to be marked by the player containing squares from number 1 to 35, inclusive;

(2)  "Game ticket" or "ticket," the ticket, produced by a terminal, which contains the caption "Dakota Cash" and information required in § 48:03:03:02;

(3)  "Pari-mutuel prize," a prize amount that may vary with each drawing as a result of dollars played and number of winning tickets in that prize category and that is divided equally among winning ticket holders in the prize category for that drawing;

(4)  "Play," a selection of five different numbers from 1 to 35, inclusive, appearing on a ticket as a single lettered selection that is played by a player in the game;

(5)  "Play slip," a card containing one or more boards used in marking a player's game plays;

(6)  "Set prize," a prize paid by a single cash payment equal to the prize amount established by the commission for the prize level; and

(7)  "Winning numbers," the five numbers from 1 to 35, inclusive, randomly selected at each drawing that are used to determine winning plays contained on a game ticket.

**Source:** 19 SDR 148, effective April 4, 1993.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-21(1), 42-7A-21(2).

**Cross-Reference:** Definitions, § 48:03:01:01.

**48:03:07:03.  Game description.** Dakota Cash is an on-line lottery game that is played by players selecting any five numbers from 1 to 35, inclusive. The price of each game play is one dollar. The lottery shall randomly select five numbers from 1 to 35, inclusive, in a drawing held twice a week in accordance with chapter 48:03:04. The lottery shall pay the jackpot prize in cash on a pari-mutuel basis and all other prizes for the Dakota Cash game on a set prize basis for matching the following winning numbers drawn:

|  |  |  |
| --- | --- | --- |
| **Number of Matches Per Play** | **Prize Payment** | **Odds of Winning** |
|  |  |  |
| All five | Jackpot-Pari-mutuel | 1:324,632 |
|  | ($20,000 minimum) |  |
| Any four | $100 | 1:2,164 |
| Any three | $3 | 1:75 |
| Any two | $1 | 1:8 |

The overall odds of winning are approximately 1:7.2.

**Source:** 19 SDR 148, effective April 4, 1993; 20 SDR 77, effective November 30, 1993.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-21(2), 42-7A-21(4).

**48:03:07:04.  Ticket purchases.** Tickets for the Dakota Cash game may be purchased only from an on-line retailer authorized by the executive director to sell on-line tickets. To play Dakota Cash, a player shall select five different numbers from 1 to 35, inclusive, for input into the terminal in any of the following ways:

(1)  Communicating the five numbers to the on-line retailer;

(2)  Marking five numbered squares in any one game board on a play slip for processing by the on-line retailer; or

(3)  Requesting a "quick pick" from the on-line retailer or marking the "quick pick" box appearing on the play slip.

The player is solely responsible for verifying the accuracy of the game play or plays and other data printed on the ticket. The on-line retailer and lottery are not responsible or liable for any mismatch of numbers selected by the player and those appearing on the ticket. A Dakota Cash ticket may not be voided or canceled.

**Source:** 19 SDR 148, effective April 4, 1993.

**General Authority:** SDCL 42-7A-21(1), 42-7A-21(6).

**Law Implemented:** SDCL 42-7A-21(2), 42-7A-21(6).

**48:03:07:05.  Prize pool and prize reserves.** The prize pool for all prize categories shall consist of not less than 50 percent of the sales of each drawing period. Two percent of the sales shall be placed in trust in a prize reserve fund until it reaches the amount of $200,000. Once the prize reserve fund balance is equal to the amount of $200,000, the two percent of sales shall become part of the prize pool. The prize reserve fund shall be used to pay for minimum jackpot and set prizes exceeding the amount of funds available in the prize pool for a drawing.

**Source:** 19 SDR 148, effective April 4, 1993; 20 SDR 77, effective November 30, 1993.

**General Authority:** SDCL 42-7A-9, 42-7A-23.

**Law Implemented:** SDCL 42-7A-21(3).

**48:03:07:06.  Prize pool percentage allocations.** The portion of the prize pool allocated to the jackpot prize shall be not less than 55 percent and the remainder of the prize pool shall be allocated to set prizes.

**Source:** 19 SDR 148, effective April 4, 1993; 20 SDR 77, effective November 30, 1993.

**General Authority:** SDCL 42-7A-9, 42-7A-23.

**Law Implemented:** SDCL 42-7A-8(7), 42-7A-21(3).

**48:03:07:07.  Jackpot prize.** The jackpot prize shall be determined on a pari-mutuel basis with a minimum guaranteed amount of $20,000. The prize money allocated to the jackpot prize category shall be divided equally by the number of tickets winning the jackpot prize. If the jackpot prize is not won in the drawing, the prize money allocated for the jackpot prize shall roll over and be added to the jackpot prize pool for the following drawing.

**Source:** 19 SDR 148, effective April 4, 1993.

**General Authority:** SDCL 42-7A-9, 42-7A-23.

**Law Implemented:** SDCL 42-7A-8(7), 42-7A-21(3).

**48:03:07:08.  Prize pool carry-over -- Sources of funding for set prizes.** The prize pool percentage allocated to the set prizes of $100 or less shall be carried over to subsequent draws if all or a portion of the prize pool is not needed to pay the set prizes awarded in the current draw. If the total of the set prizes awarded in a drawing exceeds the percentage of the prize pool allocated to the set prizes, the amount needed to fund the set prizes awarded shall be drawn from the following sources in the following order:

(1)  The amount allocated to set prizes and carried over from previous draws, if any;

(2)  The prize reserve fund, if available; and

(3)  The lottery operating fund if, after the first two sources are depleted, there are not sufficient funds to pay the set prizes awarded.

The calculation of a prize shall be rounded down so that prizes can be paid in multiples of whole dollars. All breakage shall be carried over to the prize pool for the next drawing.

**Source:** 19 SDR 148, effective April 4, 1993.

**General Authority:** SDCL 42-7A-9, 42-7A-23.

**Law Implemented:** SDCL 42-7A-8(7), 42-7A-21(3).

**48:03:07:09.  Prize payment and validation.** The holder of a winning Dakota Cash ticket may win in only one prize category for each play and is entitled only to the prize won by those numbers in the highest matching prize category. Prizes may be paid only on valid tickets which satisfy all the requirements in chapter 48:03:03 and other confidential validation and security checks of the lottery. The submission of a winning ticket to the lottery or its authorized on-line retailer is the only method for claiming a prize or prizes.

**Source:** 19 SDR 148, effective April 4, 1993.

**General Authority:** SDCL 42-7A-21(2), 42-7A-23.

**Law Implemented:** SDCL 42-7A-21(3).

**48:03:07:10.  Ineligible players.** A Dakota Cash ticket may not be purchased by or a prize paid to any of the following persons:

(1)  A member of the commission or an employee of the lottery;

(2)  An officer or employee of a company or business that currently supplies equipment, supplies, or services being used directly in the operation of the lottery's on-line games; or

(3)  An immediate family member of an individual described in subdivisions (1) and (2) of this section who reside in the same household.

**Source:** 19 SDR 148, effective April 4, 1993.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-4(13).

**CHAPTER 48:03:08**

**TRI-WEST LOTTO GAME**

(Repealed. 39 SDR 100, effective December 5, 2012)

**CHAPTER 48:03:09**

**DAILY MILLIONS GAME**

(Repealed. 39 SDR 100, effective December 5, 2012)

**CHAPTER 48:03:10**

**WILD CARD GAME**

Section

48:03:10:01 Participation in Wild Card game authorized.

48:03:10:02 Purchase of Wild Card game tickets.

48:03:10:03 Wild Card game rules.

**48:03:10:01.  Participation in Wild Card game authorized**. The lottery may participate in the Wild Card game operated by the Wild Card Group.

**Source:** 24 SDR 56, effective December 14, 1997.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-4(13).

**Note:** The Wild Card Group is a division of the Multi-State Lottery Association, 1200 35th Street, Suite 701, West Des Moines, Iowa 50266-1908.

**48:03:10:02.  Purchase of Wild Card game tickets.** A player may purchase a Wild Card ticket for up to nine future drawing dates.

**Source:** 24 SDR 56, effective December 14, 1997.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-4(13).

**48:03:10:03.  Wild Card game rules.** Rules 26 to 34, inclusive, of the Wild Card Group's Wild Card game rules as published in "Wild Card Game Rules," as amended June 14, 2013, are the rules of the lottery for the Wild Card game.

**Source:** 24 SDR 56, effective December 14, 1997; 25 SDR 4, effective July 26, 1998; 25 SDR 135, effective May 12, 1999; 39 SDR 100, effective December 5, 2012; 40 SDR 57, effective October 8, 2013.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-4(13).

**Reference:** Rules 26 to 34, inclusive, "Wild Card Game Rules," as amended June 14, 2013, are the rules for the Wild Card Group, a division of the Multi-State Lottery Association. Copies of rules 26 to 34, inclusive, may be obtained at no cost from the South Dakota Lottery, P.O. Box 7107, Pierre, South Dakota 57501.

**CHAPTER 48:03:11**

**CASH 4 LIFE GAME**

(Repealed. 39 SDR 100, effective December 5, 2012)

**CHAPTER 48:03:12**

**ROLLDOWN GAME**

(Repealed. 39 SDR 100, effective December 5, 2012).

**CHAPTER 48:03:13**

**HOT LOTTO GAME**

Section

48:03:13:01 Participation in Hot Lotto game authorized.

48:03:13:02 Purchase of Hot Lotto game tickets.

48:03:13:03 Hot Lotto game rules.

**48:03:13:01.  Participation in Hot Lotto game authorized.** The lottery may participate in the Hot Lotto game operated by the Hot Lotto Group.

**Source:** 28 SDR 150, effective May 7, 2002.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-4(13).

**Note:** The Hot Lotto Group is a division of the Multi-State Lottery Association, 1701 48th Street, Suite 210, West Des Moines, Iowa 50266-6723.

**48:03:13:02.  Purchase of Hot Lotto game tickets.** A player may purchase a Hot Lotto ticket for up to nine future drawing dates.

**Source:** 28 SDR 150, effective May 7, 2002.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-4(13).

**48:03:13:03.  Hot Lotto game rules.** Rules 26 to 34, inclusive, and Sizzler rules A through H, inclusive, of the Hot Lotto Group's Hot Lotto game rules as published in "Hot Lotto Game Rules," as amended June 14, 2013, are the rules of the lottery for the Hot Lotto game.

**Source:** 28 SDR 150, effective May 7, 2002; 34 SDR 179, effective December 24, 2007; 39 SDR 175, effective May 8, 2013; 40 SDR 57, effective October 8, 2013.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-4(13).

**References:** Rules 26 to 34, inclusive, and Sizzler rules A through H, inclusive, "Hot Lotto Game Rules," as amended June 14, 2013, Hot Lotto Group of the Multi-State Lottery Association. Copies of rules 26 to 34, inclusive, and Sizzler rules A through H, inclusive, may be obtained at no cost from the South Dakota Lottery, P.O. Box 7107, Pierre, South Dakota 57501.

**CHAPTER 48:03:14**

**RAFFLE GAME**

Section

48:03:14:01 Raffle game authorized.

48:03:14:02 Game description.

48:03:14:03 Prize pool.

48:03:14:04 Play purchases.

48:03:14:05 Drawing.

48:03:14:06 Prize payment and validation.

48:03:14:07 Game parameters set and announced by commission.

**48:03:14:01.  Raffle game authorized.** The lottery may offer and operate a raffle game.

**Source:** 34 SDR 67, effective September 11, 2007.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-21(1).

**48:03:14:02.  Game description.** A raffle is an on-line lottery game in which the possible plays are exclusive numbers within a limited sequential range. The lottery may offer a limited quantity of numbered raffle tickets to be sold to players by any authorized on-line retailer. The winners shall be drawn from the pool of purchased raffle tickets.

**Source:** 34 SDR 67, effective September 11, 2007.

**General Authority:** SDCL 42-7A-21(1),(5).

**Law Implemented:** SDCL 42-7A-21(1),(5).

**48:03:14:03.  Prize pool.** The prize pool for all prize categories shall have a total value that is equal to or exceeds fifty percent of the sales for each raffle game.

**Source:** 34 SDR 67, effective September 11, 2007.

**General Authority:** SDCL 42-7A-21(3).

**Law Implemented:** SDCL 42-7A-9, 42-7A-21(3), 42-7A-23.

**48:03:14:04.  Play purchases.** Tickets must be sold in sequential order.

**Source:** 34 SDR 67, effective September 11, 2007; 39 SDR 100, effective December 5, 2012.

**General Authority:** SDCL 42-7A-21(6).

**Law Implemented:** SDCL 42-7A-21(6).

**48:03:14:05.  Drawing.** The winning numbers shall be randomly selected at a drawing performed in accordance with chapter 48:03:04. The prizes shall be drawn beginning with the top prize and in descending order through to the lowest prize tier.

**Source:** 34 SDR 67, effective September 11, 2007; 39 SDR 100, effective December 5, 2012.

**General Authority:** SDCL 42-7A-21(2)(4).

**Law Implemented:** SDCL 42-7A-21(2)(4).

**48:03:14:06.  Prize payment and validation.** Prizes may be paid only on valid tickets which satisfy the requirements prescribed in chapter 48:03:03. Each monetary prize shall be paid with a single cash payment.

**Source:** 34 SDR 67, effective September 11, 2007.

**General Authority:** SDCL 42-7A-21(3).

**Law Implemented:** SDCL 42-7A-21(3), 42-7A-23, 42-7A-34.

**48:03:14:07.  Game parameters set and announced by commission.** The commission shall establish and publicly announce for each raffle game:

(1)  Number of plays available for sale;

(2)  Prize levels and number of prizes per prize level to be paid;

(3)  Estimated overall odds for winning any prize and estimated odds for each prize level; and

(4)  Price per play.

**Source:** 34 SDR 67, effective September 11, 2007.

**General Authority:** SDCL 42-7A-21(1),(3),(6).

**Law Implemented:** SDCL 42-7A-19, 42-7A-21(1),(3),(6).

**CHAPTER 48:03:15**

**MEGA MILLIONS GAME**

Section

48:03:15:01 Participation in Mega Millions Game authorized.

48:03:15:02 Purchase of Mega Millions tickets.

48:03:15:03 Ineligible players.

48:03:15:04 Mega Millions Game Rules.

**48:03:15:01.  Participation in Mega Millions Game authorized.** The lottery may offer and participate in the Mega Millions game.

**Source:** 36 SDR 170, effective May 11, 2010.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-4(13).

**48:03:15:02.  Purchase of Mega Millions tickets.** A player may purchase a Mega Millions ticket for up to nine future drawing dates.

**Source:** 36 SDR 170, effective May 11, 2010.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-4(13).

**48:03:15:03.  Ineligible players.** A Mega Millions ticket may not be purchased by or a prize paid to any of the following persons:

(1)  A member of the commission or an employee of the lottery;

(2)  An officer or employee of a company or business that currently supplies equipment, supplies, or services being used directly in the operation of the lottery's on-line games; or

(3)  An immediate family member of an individual described in subdivision (1) and (2) of this section who reside in the same household.

**Source:** 36 SDR 170, effective May 11, 2010.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-4(13).

**48:03:15:04.  Mega Millions Game Rules.** Mega Millions Game Rules 26 to 34, inclusive, the Mega Millions Megaplier Promotion Special Game Rules A to H, inclusive, and the Mega Millions Just The Jackpot Promotion Special Game Rules JJ 1 to JJ 5, inclusive, of the MUSL Mega Millions Product Group Rules, as amended on June 15, 2017, are the rules of the lottery for the Mega Millions Game.

**Source:** 36 SDR 170, effective May 11, 2010; 37 SDR 111, effective December 8, 2010; 40 SDR 57, effective October 8, 2013; 43 SDR 57, effective October 17, 2016; 44 SDR 66, effective October 19, 2017.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-4(4)(13), 42-7A-21(1).

**Reference:** Copies of the Mega Millions Game Rules 26 to 34, inclusive, the Mega Millions Megaplier Special Game Rules A to H, inclusive, and the Mega Millions Just The Jackpot Promotion Special Game Rules JJ 1 to JJ 5, inclusive, of the MUSL Mega Millions Product Group Rules, as amended on June 15, 2017, by the Multi-State Lottery Association (MUSL), may be obtained at no cost from the South Dakota Lottery, 711 East Wells Avenue, Pierre, South Dakota 57501-7107.

**CHAPTER 48:03:16**

**MONOPOLY MILLIONAIRES' CLUB GAME**

Section

48:03:16:01 Participation in MONOPOLY Millionaires' Club game authorized.

48:03:16:02 Ineligible players.

48:03:16:03 MONOPOLY Millionaires' Club game rules.

**48:03:16:01.  Participation in MONOPOLY Millionaires' Club game authorized.** The lottery may participate in the MONOPOLY Millionaires' Club game operated by the Multi-State Lottery Association.

**Source:** 41 SDR 58, effective October 9, 2014.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-4(13).

**48:03:16:02.  Ineligible players.** No MONOPOLY Millionaires' Club ticket may be purchased by or a prize paid to any of the following persons:

(1)  A member of the commission or an employee of the lottery;

(2)  An officer or employee of a company or business that currently supplies equipment, supplies, or services being used directly in the operation of the lottery's on-line games; or

(3)  An immediate family member of an individual described in subdivisions (1) and (2) of this section who reside in the same household.

**Source:** 41 SDR 58, effective October 9, 2014.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-4(13).

**48:03:16:03.  MONOPOLY Millionaires' Club game rules.** The MONOPOLY Millionaires' Club game rules 26 to 50, inclusive, of the National Premium Game Product Group of the Multi-State Lottery Association as published in "Multi-State Lottery Association Rules," as adopted on May 29, 2014, and amended on July 11, 2014, are the rules of the lottery for the MONOPOLY Millionaires' Club game.

**Source:** 41 SDR 58, effective October 9, 2014.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-4(13).

**Reference:** Copies of the MONOPOLY Millionaires' Club game rules 26 to 50, inclusive, of the "Multi-State Lottery Association Rules," as adopted on May 29, 2014, and amended on July 11, 2014, by the National Premium Game Product Group of the Multi-State Lottery Association may be obtained at no cost from the South Dakota Lottery, P.O. Box 7107, Pierre, South Dakota 57501-7107.

**CHAPTER 48:03:17**

**EZ MATCH INSTANT WIN OPTION**

# Section

48:03:17:01 EZ Match instant win option authorized.

48:03:17:02 Definitions.

48:03:17:03 Game description.

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**48:03:17:01.  EZ Match instant win option authorized.** The lottery may offer the EZ Match instant win option in conjunction with any on-line game authorized by this article.

**Source:** 43 SDR 9, effective August 3, 2016.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-21(1).

**48:03:17:02.  Definitions.** Terms used in this chapter mean:

(1)  "Exchange ticket" or "trail ticket," a computer generated, printed paper issued by a terminal to replace a game ticket that had been purchased for play in consecutive draw games and was validated as a winning ticket before the last drawing on the game ticket. An exchange or trail ticket shall contain the exact game play and each remaining future drawing date appearing on the validated game ticket it is replacing and shall have all other characteristics of a game ticket except as otherwise stated in this chapter;

(2)  "Game board" or "board," that area of the play slip containing squares to be marked by the player;

(3)  "Game ticket" or "ticket," the ticket, produced by a terminal, which contains the caption of the associated on-line game being played, the EZ Match logo and the information required by § 48:03:03:02;

(4)  "Play slip," a card containing one or more boards used in marking a player's game plays.

**Source:** 43 SDR 9, effective August 3, 2016.

**General Authority:** SDCL 42-7A-21(1)(6)(17).

**Law Implemented:** SDCL 42-7A-21(1)(6).

**Cross Reference:** Definitions, § 48:03:01:01.

**48:03:17:03.  Game description.** EZ Match is an instant win option that may be offered by the lottery in association with any on-line game authorized by this article. The price of each EZ Match play is one dollar, in addition to the cost of the on-line game play. A player electing to play the EZ Match option of an on-line game when offered shall receive five EZ Match numbers printed below the on-line game numbers on the same ticket. All EZ Match numbers shall be randomly generated. If any of the EZ Match numbers printed on the ticket match any of the on-line game numbers (regardless of order), the player instantly wins the prize amount printed next to the matched EZ Match numbers.

**Source:** 43 SDR 9, effective August 3, 2016.

**General Authority:** SDCL 42-7A-21(1)(2)(4).

**Law Implemented:** SDCL 42-7A-21(1)(2)(4).

**48:03:17:04.  Ticket purchases.** Any ticket for any on-line game with an EZ Match play may only be purchased from an on-line retailer authorized by the executive director to sell online tickets. To play EZ Match in conjunction with on-line games where it is offered a player shall mark the EZ Match box on the on-line game's playslip or request an EZ Match play from the on-line retailer. Marking the EZ Match box on a playslip only adds an EZ Match play to the board marked.

Each board played with the EZ Match option selected shall be printed on a separate ticket. On-line game tickets with the added EZ Match option shall be printed with the pertinent on-line game's logo and the EZ Match logo at the top of the ticket. The EZ Match logo will also be printed within the body of the ticket and below it shall be the EZ Match numbers and the prize amounts associated with each EZ Match number. Any on-line game ticket printed without the elements described in this section is not eligible for any EZ Match prize. An on-line game ticket with an EZ Match play may not be voided or canceled.

**Source:** 43 SDR 9, effective August 3, 2016.

**General Authority:** SDCL 42-7A-21(2)(5)(6).

**Law Implemented:** SDCL 42-7A-21(2)(5)(6).

**48:03:17:05.  Prize payment and validation.** The holder of a winning EZ Match play may cash the ticket on which it is printed at any South Dakota Lottery retail location either before or after the associated on-line game drawing. If a winning EZ Match play is cashed prior to the associated on-line game drawing, an exchange ticket shall be printed for the on-line game's upcoming drawing. If an on-line game ticket is a winning ticket for both an EZ Match play and the associated on-line game play and the ticket is presented for cashing for both plays after the associated on-line game's drawing has occurred the prize amounts for each win shall be added together and paid in one lump sum.

Prizes may be paid only on valid tickets which satisfy all the requirements in chapter 48:03:03 and other confidential validation and security checks of the lottery. EZ Match prizes must be claimed within 180 days after the on-line game draw date associated with the ticket on which the EZ Match play was originally purchased. If the final day of the 180-day period falls on a Saturday, Sunday, or state holiday, the claim period ends on the next business day.

**Source:** 43 SDR 9, effective August 3, 2016.

**General Authority:** SDCL 42-7A-21(2)(3)(9), 42-7A-23.

**Law Implemented:** SDCL 42-7A-21(2)(3)(9).

**48:03:17:06.  Ineligible players.** An on-line ticket with an EZ Match play may not be purchased by or a prize paid to any of the following persons:

(l)  A member of the commission or an employee of the lottery;

(2)  An officer or employee of a company or business that currently supplies equipment, supplies, or services being used directly in the operation of the lottery's on-line games; or

(3)  An immediate family member of an individual described in subdivisions (1) and (2) of this section who reside in the same household.

**Source:** 43 SDR 9, effective August 3, 2016.

**General Authority:** SDCL 42-7A-21(2)(3)(17).

**Law Implemented:** SDCL 42-7A-33.

**48:03:17:07.  Publishing EZ Match odds.** The lottery shall publish the odds of winning EZ Match for each prize level, the top prize, and the overall odds of winning any prize on the lottery's website.

**Source:** 43 SDR 9, effective August 3, 2016.

**General Authority:** SDCL 42-7A-21(1)(4)(17).

**Law Implemented:** SDCL 42-7A-8(8).

**CHAPTER 48:03:18**

**LUCKY FOR LIFE GAME**

# Section

48:03:18:01 Participation in Lucky for Life game authorized.

48:03:18:02 Purchase of Lucky for Life tickets.

48:03:18:03 Ineligible players.

48:03:18:04 Lucky for Life game rules.

48:03:18:05 Top prize liability limits.

48:03:18:06 Second prize liability limits.

**48:03:18:01.  Participation in Lucky for Life game authorized.** The lottery may offer and participate in the Lucky for Life game.

**Source:** 43 SDR 146, effective May 24, 2017.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-4(4)(13), 42-7A-21(1).

**48:03:18:02.  Purchase of Lucky for Life tickets.** A player may purchase a Lucky for Life ticket for up to nine future drawing dates.

**Source:** 43 SDR 146, effective May 24, 2017.

**General Authority:** SDCL 42-7A-21(1)(6)(17).

**Law Implemented:** SDCL 42-7A-4(13), 42-7A-21(1)(6).

**48:03:18:03.  Ineligible players.** A Lucky for Life ticket may not be purchased by or a prize paid to any of the following persons:

(1)  A member of the commission or an employee of the lottery;

(2)  An officer or employee of a company or business that currently supplies equipment, supplies, or services being used directly in the operation of the lottery's on-line games; or

(3)  An immediate family member of an individual described in subdivision (1) and (2) of this section who reside in the same household.

**Source:** 43 SDR 146, effective May 24, 2017.

**General Authority:** SDCL 42-7A-21(2)(3)(17).

**Law Implemented:** SDCL 42-7A-33.

**48:03:18:04.  Lucky for Life game rules.** The "Lucky for Life Official Game Rules" of the New England Lotteries, as amended December 11, 2020, are the rules of the lottery for the Lucky for Life game.

**Source:** 43 SDR 146, effective May 24, 2017; 47 SDR 126, effective May 31, 2021.

**General Authority:** SDCL 42-7A-21(1)(3)(4).

**Law Implemented:** SDCL 42-7A-4(4)(13).

**Reference:** The "Lucky for Life Official Game Rules" of the New England Lotteries, as amended December 11, 2020, may be obtained at no cost from the South Dakota Lottery, 711 East Wells Avenue, Pierre, South Dakota 57501-7107.

**48:03:18:05.  Top prize liability limits.** The winner or winners of the top prize who are not required to receive a lump sum cash payment and who do not request the cash option shall be paid their appropriate prize share on an annual basis for a minimum period of twenty years. The initial prize payment shall be made when the prize is claimed at the lottery's office; subsequent prize payments shall be made annually thereafter.

**Source:** 43 SDR 146, effective May 24, 2017.

**General Authority:** SDCL 42-7A-21(1)(3)(17).

**Law Implemented:** SDCL 42-7A-21(3), 42-7A-23.

**48:03:18:06.  Second prize liability limits.** The winner or winners of the second prize who are not required to receive a lump sum cash payment and who do not request the cash option shall be paid their appropriate prize share on an annual basis for a minimum period of twenty years. The initial prize payment shall be made when the prize is claimed at the lottery's office; subsequent prize payments shall be made annually thereafter.

**Source:** 43 SDR 146, effective May 24, 2017.

**General Authority:** SDCL 42-7A-21(1)(3)(17).

**Law Implemented:** SDCL 42-7A-21(3), 42-7A-23.

**CHAPTER 48:03:19**

**LOTTO AMERICA GAME**

# Section

48:03:19:01 Participation in Lotto America game authorized.

48:03:19:02 Purchase of Lotto America tickets.

48:03:19:03 Ineligible players.

48:03:19:04 Lotto America game rules.

**48:03:19:01.  Participation in Lotto America game authorized.** The lottery may participate in the Lotto America game operated by the Multi-State Lottery Association.

**Source:** 44 SDR 66, effective October 19, 2017.

**General Authority:** SDCL 42-7A-21(1).

**Law Implemented:** SDCL 42-7A-4(4)(13), 42-7A-21(1).

**48:03:19:02.  Purchase of Lotto America ticekts.** A player may purchase a Lotto America ticket for up to nine future drawing dates.

**Source:** 44 SDR 66, effective October 19, 2017.

**General Authority:** SDCL 42-7A-21(1)(6).

**Law Implemented:** SDCL 42-7A-4(13), 42-7A-21(1)(6).

**48:03:19:03.  Ineligible players.** A Lotto America ticket may not be purchased by or a prize paid to any of the following persons:

(1)  A member of the commission or an employee of the lottery;

(2)  An officer or employee of a company or business that currently supplies equipment, supplies, or services being used directly in the operation of the lottery's on-line games; or

(3)  An immediate family member of an individual described in subdivision (1) and (2) of this section who reside in the same household.

**Source:** 44 SDR 66, effective October 19, 2017.

**General Authority:** SDCL 42-7A-21(2)(3).

**Law Implemented:** SDCL 42-7A-4(13), 42-7A-33.

**48:03:19:04.  Lotto America game rules.** The Lotto America Group Rules, as amended June 24, 2021, and published by the Multi State Lottery Association, are the rules of the lottery for the Lotto America game.

**Source:** 44 SDR 66, effective October 19, 2017; 48 SDR 105, effective April 26, 2022.

**General Authority:** SDCL 42-7A-21(1)(3)(4).

**Law Implemented:** SDCL 42-7A-4(4)(13).

**Reference:** The Lotto America Group Rules, as amended June 24, 2021, and published by the Multi State Lottery Association. Copies may be obtained at no cost from the South Dakota Lottery, 711 East Wells Avenue, Pierre, South Dakota 57501-7107.