



## **DEPARTMENT OF REVENUE**

### **Colorado Lottery**

## **LOTTERY RULES AND REGULATIONS**

### **1 CCR 206-1**

[Editor's Notes follow the text of the rules at the end of this CCR Document]

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## **RULE 1 - GENERAL DEFINITIONS**

### **BASIS AND PURPOSE FOR RULE 1**

The purpose of Rule 1 is to provide definitions for the Colorado Lottery General Rules and Regulations. The statutory basis for Rule 1 is found in C.R.S. 4440-101(5), 44-40-109(1)(a) and (2), and 44-40-110.

#### **1.1 General Provisions**

The Colorado Lottery Commission adopts these Definitions which apply to all of the Lottery Rules and Regulations unless otherwise stated and in addition to any other definitions that may apply in a specific section of the rules. Suppose there is a direct conflict between one of these definitions and a definition in a specific section of the rules. In that case, the latter shall apply.

#### **1.2 Definitions**

Unless these Rules and Regulations specifically state otherwise:

- A. "Act" means State Lottery Division, Title 44, Article 40 of the Colorado Revised Statutes.
- B. "Additional Lottery Prizes" means cash, merchandise, and/or services, as determined by the Director.
- C. "Advance Play" means the option to Purchase Jackpot Tickets for more than one future consecutive Drawing, with the first advance play Ticket Purchased for the next available Drawing.
- D. "Aggregate Prize Fund" means the maximum percentage of sales for each Jackpot Game that may be used to pay Prizes.
- E. "Barcode" means the barcode on a Ticket that contains the Validation information which indicates whether the Ticket entitles the Ticket Holder to a Prize.

- F. “Barcode Reader” means the computer hardware/software used by Retailers to read barcoded information on Tickets.
- G. “Claimant” means a Person claiming a Lottery Prize.
- H. “Claims Center” means any location designated by the Director where a Person may file a claim for any Lottery Prize.
- I. “Commission” means the Colorado Lottery Commission established under the Act.
- J. “Coupons” mean marketing tools that entitle the holder to a discounted Lottery Product and are approved by the Commission.
- K. “Courier” means a Person or entity that receives an order and payment for a Ticket(s) from a Courier Customer and Purchases the Ticket(s) from a Retailer on the Licensed Premises on behalf of a Courier Customer and then digitally or physically delivers the Ticket(s) to the Courier Customer in exchange for a fee and facilitates redemption of Ticket(s) on behalf of a Courier Customer. A Courier is an entity separate and apart from the Retailer, meaning a separate legal entity with separate employees.
- L. “Courier Customer” means a Person who is located within the State of Colorado, but not within the designated boundaries of federally recognized Indian lands, and submits an order and payment to a Courier for the Purchase of Ticket(s) in exchange for a fee using payment methods approved by the Lottery for the sale of Ticket(s). “Director” means the Senior Director of the Colorado State Lottery Division.
- M. “Division” means the Colorado State Lottery Division.
- N. “Draw Break” means the period of time prior to a Drawing during which Jackpot Tickets may not be sold, Purchased, or validated for the upcoming Drawing.
- O. “Drawing” means a random selection process to determine winning numbers as set forth in specific Game Rules.
- P. “E-instant Game” means a type of Instant Scratch Game that is played digitally and available for Purchase directly from the Division using Registered Play.
- Q. “Electronic Funds Transfer” or “EFT” means the electronic transfer of money from one bank account to another.
- R. “Executive Director” means the Executive Director of the Colorado Department of Revenue.
- S. “Force Majeure” means an unexpected event (i.e., a natural disaster) that prevents the scheduled completion of an activity.

- T. “Gaming System” means the computer system(s) consisting of Gaming Terminals, central processing equipment, and a communication network used to administer Lottery Products.
- U. “Gaming Terminal” means the computer system through which Jackpot Tickets are generated, Validated, and Instant Scratch Tickets are supported.
- V. “Geolocate” or “Geolocation” means the method, system, or process used to confirm that a Courier Customer or Person purchasing Lottery Products digitally is physically present within the State of Colorado and not within the designated boundaries of federally recognized Indian lands at the time that the Courier Customer submits an order for Ticket(s) from a Courier.
- W. “Immediate Family” shall include any spouse, child, brother, sister, and/or parent residing in the same household.
- X. “Instant Scratch Game” means a type of Lottery game where the Prize is revealed instantly once the game is played, including but limited to E-instant Games, Scratch Tickets and any terminal game that instantly reveals a win, except those that are offered as an add-on to a Jackpot game.
- Y. “Instant Scratch Game Guidelines” means the set of guidelines approved by the Commission that establish the rules for a specific Instant Scratch Game.
- Z. “In-state Jackpot Game” is a Jackpot Game that is only available for Purchase within the State of Colorado.
- AA. “Jackpot Game” is a game in which a player or the Gaming System selects a combination of numbers in advance of a Drawing.
- BB. “Jackpot Ticket” means a Ticket or image generated by the Gaming Terminal or Registered Play reflecting the combination of numbers selected for In-state and Multi-state Jackpot Games.
- CC. “Key Employee” means an officer, director, or employee of a Vendor or an officer, director, or employee of a Vendor’s subcontractor whose job responsibilities could reasonably pose a risk to the Lottery, including but not limited to, employees whose job duties include the marketing, development, operation, or security of a Lottery Product or related system.
- DD. “Know Your Customer” or “KYC” means the method, system or process used to verify a Person’s identity, including the age, of a Courier Customer in order to prevent duplication of accounts and prevent minors or other unauthorized Persons from ordering Tickets.
- EE. “Licensed Premises” means the physical location where the Retailer is authorized to Sell Tickets pursuant to the license issued by the Division or as otherwise authorized pursuant to the Act or these rules.

- FF. “Retailer” or “Lottery Retailer” means any business licensed to Sell authorized Lottery Products pursuant to the Act or these rules.
- GG. “Lottery” means any and all lotteries created and operated pursuant to the Act.
- HH. “Multi-state Jackpot Game” means a Jackpot Game that is sold in Colorado as well as other jurisdictions.
- II. “Net Sales” means gross sales less cancellations or returns.
- JJ. “Person” means a natural Person.
- KK. “Play Area” means the area on a Scratch Ticket covered with a coating that can be removed by the player.
- LL. “Play Slip” means a mark-sense game slip used to select plays in Jackpot Games, including digital game slips. A Play Slip has no financial value and is not evidence of a Ticket Purchase or of numbers selected.
- MM. “Player” means a Person who Purchases a Lottery Product.
- NN. “Player-Selected Item” means a number or group of numbers selected by a Player in connection with a Lottery Jackpot Game.
- OO. “Prize” means an award, financial or otherwise, from the Lottery.
- PP. “Prize Amounts” means the amount of money payable for Jackpot Games in each Prize Category, or to each share, or the annuitized future value of each share in a Prize Category for each Drawing.
- QQ. “Prize Category” means the category of Prize based on matching combinations as described in the specific Game Rules.
- RR. “Prize Expense” means the accrued portion of Net Sales from all Lottery Products paid or designated to be paid out in Prizes.
- SS. “Prize Fund” means the amount of money allocated for Prizes as defined in the Instant Scratch Game Guidelines or specific Game Rules.
- TT. “Prize Winner” means a Person who is entitled to claim a Prize.
- UU. “Product” or “Lottery Product” means any goods produced by the Lottery for sale to the public either directly or through a Retailer.
- VV. “Promotional Drawing Guidelines” means guidelines for Promotional Drawings associated with a specific Lottery Game or related marketing activity.

- WW. “Promotional Ticket” means a Ticket that is either a free Ticket or entitles a Player to a free Ticket and is approved by the Director for distribution to the public to promote the Lottery.
- XX. “Quick Pick” means a computer-generated selection of a number, item, or group of numbers in connection with a Jackpot Game.
- YY. “Registered Play” means a wager where the play is owned by a specifically identified Player through a means acceptable to the Lottery, and which is recorded on the computer gaming system and internal computer system.
- ZZ. “Scratch Ticket” means a type of Instant Scratch Game where a Ticket has preprinted play symbols or characters that are covered with a coating that, when removed, reveals whether the Player has won a Prize.
- AAA. “Sell”, “Sale” or “Purchase” means the payment to a Retailer in exchange for a Ticket at the fixed price set by the Commission on the Retailer’s Licensed Premises.
- BBB. “Shares” means the total number of matching combinations within each Prize Category as determined for each draw.
- CCC. “Ticket” or “Lottery Ticket” means an acceptable evidence of play, which is a Ticket produced in a manner that meets the specifications defined in these rules and is either a physical representation of the play or plays sold to the Player; or electronic evidence of a Ticketless transaction in the form of Registered Play.
- DDD. “Ticket Holder” means a Person who has physical possession of a Lottery Ticket or electronic evidence of a Ticketless transaction in the form of Registered Play.
- EEE. “Validation” or “Validate” means the process of determining whether a Lottery Ticket presented for payment is a winning Ticket.
- FFF. “Validation Number” means the unique number printed on a Scratch Ticket that is used for Validation.
- GGG. “Vendor” means any third party that is contracted with the Lottery to provide services or materials related to any Lottery Product, including but not limited to the marketing, development, operation, or security of a Lottery Product or related system. Vendor may include, but is not limited to, a supplier as described in C.R.S. 44-40-106.