

# **DEPARTMENT OF REVENUE**

## **Colorado Lottery**

### **1 CCR 206-1 RULES AND REGULATIONS**

#### **RULE 10 - IN-STATE JACKPOT LOTTERY GAMES**

##### **BASIS AND PURPOSE OF RULE 10**

The purpose for Rule 10 is to provide details and requirements for all Colorado Lottery In-State Jackpot Games such as the sale of tickets, payment of Prizes, and the method for selecting and validating winning tickets. The statutory basis for Rule 10 is found in C.R.S. 44-40-101(5), 44-40-109(1)(a) and (2), and 44-40-113, and 44-40-114.

##### **10.1 General Provisions**

In-State Jackpot Games will be conducted pursuant to the following Rules and Regulations and such further instructions and directives as the Colorado Lottery Director and Colorado Lottery Commission may issue.

For the purpose of this Rule 10 “Jackpot Game” shall mean In-State Jackpot Game and “Jackpot Ticket” shall mean In-State Jackpot Ticket.

##### **10.2 Definitions**

Refer to the definitions provided in Rule 1 Section 1.2.

##### **10.3 Price of Tickets & Prizes**

- A. The purchase price of each Jackpot Ticket shall be set forth in specific Game Rules.
- B. The Prize amounts or total amount of Prize money allocated to the Prize categories for Jackpot Games shall be set forth in specific Game Rules.
- C. In the event the Prize expense is less than the Commission approved Aggregate Prize Fund for specific game, the Director may authorize the difference to be used to increase Prize amounts or pay additional Lottery Prizes for that game.

##### **10.4 Drawings and End of Sales Prior To Drawings**

- A. The manner and frequency of Drawings shall be as set forth in specific Game Rules. In the event of a Force Majeure, the Drawing shall be rescheduled at the Director or designee’s discretion.
- B. Drawings shall be conducted at a location, on days, and at times indicated in the specific Game Rules. Drawing results are not official until verified.
- C. The Director shall determine when each Jackpot Game goes into Draw Break before the Drawing. Once a Jackpot Game is in Draw Break, Jackpot Game Terminals will not allow any further purchases for that Drawing.

- D. The Lottery shall designate the type of equipment to be used and shall establish procedures to randomly select the Winning Combination for each type of Jackpot Game.
- E. An independent auditor, as required in C.R.S. 44-40-109(2)(d), will observe each Jackpot Drawing.
  - 1. The auditor must submit a report in a timely manner that documents compliance or non-compliance to established Drawing procedures. The report must include each discrepancy detected, if any, during the Drawing procedure and recommendations that may strengthen the integrity of the Drawings. The report will become part of the Lottery's Drawing records. Reports that identify a discrepancy and/or propose a recommendation must be distributed to the appropriate Lottery personnel.
  - 2. All Drawing equipment used shall be examined by the auditor located at the In-State Drawing Site within thirty (30) minutes before a Drawing and within thirty (30) minutes after the Drawing.

## **10.5 Promotional Opportunities**

### **10.5.1 Use of Bar Codes on Jackpot Tickets**

- A. An additional bar code printed on Jackpot Tickets allows for entry into Promotional Drawings through the Lottery Mobile Application.
  - 1. Details for Promotional Drawings, including but not limited to Prizes, Prize Winners, assignment of Prizes, and Prize payment are defined in specific Promotional Drawing Guidelines.

### **10.5.2. Use of Coupons and Free Tickets**

- A. Coupons and free tickets (hereafter referred to as "coupons") are marketing tools used by the Lottery for promotions.
- B. All coupons, when used for promotions, must be given to the consumer or public. In the event the Lottery uses a promotional partner to distribute coupons, the promotional partner must ensure all coupons are issued to the consumer or public and any unused coupons are returned to the Lottery.
- C. At no time may coupons be sold, used to purchase goods or services, pay off Lottery Debts or reimburse a Licensee for any loss.
- D. At no time may a co-promoter, who has received a cash payment from the Lottery or a Lottery Contractor as part of a promotional agreement, use the cash payment to purchase Lottery Tickets for the promotion that the payment funded.

### **10.5.3 Redemption of Bar-Coded Coupons**

The Director may from time to time deem it proper to authorize the use of bar-coded coupons to promote Lottery Products. In the event such use is authorized by the Director, Licensees shall comply with all requirements and restrictions specified on the coupon and shall redeem and exchange bar-coded coupons for Lottery Tickets only and not for cash.

## **10.6 Sale of Tickets**

- A. Licensees shall make Jackpot Tickets available for sale to the public between the hours of 4:30 a.m. and 11:59 p.m. MST Monday through Saturday and 8:00 a.m. and 11:59 p.m. MST on Sunday if those hours are included in the Licensee's normal business hours and when the Jackpot Gaming System is available.
- B. A Licensee shall sell Jackpot Tickets only at the premises specified in the license.
- C. All Jackpot Ticket Sales are final and the return of a Jackpot Ticket after sale shall not be accepted by the Licensee, unless otherwise directed by the Director, or as set forth in section 10.7 or in specific Game Rules.
- D. The Lottery itself may sell Jackpot Tickets.
- E. A Licensee may be permitted, upon prior approval of the Director or designee, to use Jackpot Tickets as a means of promoting the sale of goods and services to the public.

## **10.7 Cancellation of Tickets**

A player may cancel a Jackpot Ticket and receive a refund of the purchase price for any draw provided the following criteria are met:

- 1. The legible Jackpot Ticket is returned to the Retailer from where it was purchased;
- 2. It is returned within one (1) hour of purchase;
- 3. The Retailer is open;
- 4. The Jackpot Gaming System is available for wagering; and
- 5. The Jackpot Gaming System has not converted to the next Drawing period.

### **10.7.1 Mutilated or Erroneous Tickets**

Unless the Director is satisfied that a mutilated Jackpot Ticket is genuine, no credit will be issued to the Ticket Holder.

- A. If the Jackpot Ticket is mutilated at the time of purchase, it must meet all criteria listed in section 10.7 above in order to be cancelled.
- B. In the event that the ticket cannot be cancelled at the Jackpot Gaming Terminal, the ticket must be submitted to the Lottery for investigation to determine if credit should be issued.
- C. A ticket submitted to the Lottery for credit becomes the property of the Lottery and the ticket becomes invalid and ineligible for a Prize.
- D. All credits for Jackpot Tickets must be approved by the Director or designee.

## **10.8 Validation Requirements**

- A. To be a valid winning Jackpot Ticket, all of the following conditions must be met:
  - 1. All printing on the ticket shall be present in its entirety, be legible, and correspond to the Jackpot Gaming System Record;

2. The ticket must be intact;
  3. The ticket must not be mutilated, altered, or tampered with in any manner;
  4. The ticket must not be counterfeit or an exact duplicate of another winning ticket;
  5. The ticket must have been issued by an authorized Jackpot Game Licensee in an authorized manner;
  6. The ticket must not have been acquired illegally;
  7. The ticket must not have been canceled or previously paid; and
  8. The ticket must pass all other confidential security checks of the Lottery.
- B. Any ticket failing one of the Validation requirements listed in subsection A. above is invalid and the claimant is ineligible for a Prize.
- C. The Director may authorize award of a Prize for a winning Jackpot Ticket that is partially mutilated or is not intact if the Jackpot Ticket can still be validated by other Validation methods and requirements.
- D. In the event a defective Jackpot Ticket is purchased, the only responsibility or liability of the Lottery or the Licensee shall be the replacement of the defective Jackpot Ticket with another Lottery Product or refund of the purchase price.

#### **10.9 Payment of Prizes**

- A. The holder of a winning Jackpot Ticket in the amount of \$150.00 or less may take the ticket to any Licensee location during the Licensee's normal business hours and game operation hours for Validation and payment. The holder of a winning Jackpot Ticket in the amount of \$151.00 to \$599.00 may take the ticket to any Licensee location during the Licensee's normal business hours and game operation hours. Licensees have the option of validating winning Jackpot Tickets in the amount of \$151.00 to \$599.00. All Prizes shall be paid by the Licensee upon presentation and Validation of the ticket pursuant to instructions on the back of the Jackpot Ticket and instructions specified in the specific Game Rule.
- B. A winning Jackpot Ticket in any amount may be mailed or presented to a Lottery Claims Center for payment. The Prizes shall be paid by the Lottery upon presentation and Validation of the ticket pursuant to instructions on the back of the Jackpot Ticket and instructions specified in the specific Game Rule.
- C. The holder of a Prize-Winning Jackpot Ticket of \$600.00 or more shall complete all of the information detailed on the claim form and submit the completed form and ticket by mail or in Person to the Lottery. The Lottery shall pay the Prize upon presentation and Validation of the ticket pursuant to instructions on the back of the Jackpot Ticket and instructions specified in the specific Game Rule. In the event that the intercept program reveals an outstanding obligation for a winner of a Prize, the Prize will not be awarded until the intercept obligation is paid as set forth in C.R.S. 44-40-113(6) and 44-40-114.
1. A Prize Winner, or a Prize Winner's legally authorized representative, shall sign the winning Jackpot Ticket and complete a claim form that is available from any Licensee, Lottery Claims Center, or the Colorado Lottery Website. The claim form shall incorporate the following information:

- a. Verification that the Prize Winner is not a Person disqualified by law or by these Rules and Regulations to claim or otherwise accept a Prize from the Lottery;
  - b. Notification that the Prize Winner's name, city of residence, and Prize amount are public information. This same notification is given to one signing on behalf of a Prize Winner under a disability that prevents the Prize Winner from signing on his/her own behalf; and
  - c. The Lottery is not liable for any loss caused by a misrepresentation by the Prize Winner or the Person claiming the Prize on the Prize Winner's behalf.
- 2. The claim form may contain any other provision that the Director may deem necessary and proper to promote the public interest and trust, and the security and efficient operation of the Lottery.
- 3. Payment for a winning ticket will not occur unless all of the requirements on the claim form and winning ticket have been met or an acknowledgement that the information is unknown or unavailable. There is no obligation or duty of the Lottery, its employees or Licensees, to make any inquiry of the truthfulness of information that appears on the claim form before payment to the Prize Winner.
- D. Payment of Prizes shall be made to the Prize Winner in Person or by mail to the address provided.
- E. All Prizes shall be paid within a reasonable time after they are awarded and after the claims are validated by the Lottery. Any Prize requiring annuitized or installment payments shall be paid as specified in the specific Game Rules.
- F. In the event of the death of a Prize Winner during the payment period and upon the petition of the estate of the Prize Winner (the Estate) to the Lottery, and subject to federal, state or district applicable laws, the Lottery may accelerate the payment of all of the remaining Lottery proceeds to the Estate. If the Lottery makes such a determination, then securities and/or cash held to fund the deceased Prize Winner's annuitized Prize may be distributed to the Estate. The identification of the securities to fund the annuitized Prize shall be at the sole discretion of the Lottery.
- G. The Prize Winner of an annuitized or installment payment Prize in any Jackpot Game who desires to assign the right to unpaid future annuitized or installment payments must comply with C.R.S. 44-40-113(1)(b) and (2). Pursuant to C.R.S. 44-40-113(2)(f), reasonable fees to defray administrative expenses shall be reviewed and approved by the Director on an annual basis.
- H. The Director may delay any payment in order to review a change of circumstances relative to the Prize awarded, the payee, the claim, or any other matter that may have come to their attention. All delayed payments will be paid to date immediately upon the Director's confirmation that the payee is entitled to such payment; any remaining payments shall be paid per the specific Game Rule.
- I. The Director's decision shall be final and binding with respect to the payment of all Prizes.
- J. The Director reserves the right to require a Prize Winner to disclose the location or Person from where the ticket was purchased.
- K. A Prize must be claimed no later than one hundred and eighty (180) days after the Drawing for which the Jackpot Ticket was purchased. Any Person who fails to claim a Prize during the one hundred and eighty (180) day claim period shall forfeit all rights to the Prize and the amount of the Prize shall remain in the Lottery Fund. Prizes claimed by mail must be documented as received

at Lottery Headquarters by the one hundred and eightieth (180<sup>th</sup>) day after the announced end-of-game date.

- L. Payment of any Prize shall be made to the holder of the Jackpot Ticket. All liability of the State, its officers and employees, and the Commission shall terminate upon payment.
- M. In the event that the intercept program reveals an outstanding obligation for a Prize Winner, the Prize will not be awarded until the intercept obligation is paid as set forth in C.R.S. 44-40-114(6) and 44-40-114.