TEMPORARY ADMINISTRATIVE ORDER
INCLUDING STATEMENT OF NEED & JUSTIFICATION

LOTT 20-2021
CHAPTER 177
OREGON STATE LOTTERY

FILING CAPTION: Rulemaking to support contract with DraftKings to provide Lottery's digital sports betting game

EFFECTIVE DATE: 12/17/2021 THROUGH 06/14/2022

AGENCY APPROVED DATE: 12/16/2021

CONTACT: Kris Skaro
971-719-0794
kris.skaro@lottery.oregon.gov

500 Airport Rd SE
Salem, OR 97301

Filed By:
Kris Skaro
Rules Coordinator

NEED FOR THE RULE(S):
The Lottery needs to adopt, amend, and suspend rules as described in this temporary administrative order to support the transition of the Lottery's digital sports betting game from the SBTech platform to the DraftKings platform.

BACKGROUND AND DISCUSSION:

Since October 2019, the Lottery has offered a digital sports betting game, Scoreboard, through its provider, SBTech. Scoreboard is available to players through a downloadable mobile application and online at the Scoreboard website. The digital sports betting game has, since its launch in 2019 and despite the worldwide pause on sporting events in the summer of 2020, resulted in the transfer of over $10 million dollars to the state to fund public programs, including Lottery's constitutional beneficiaries (education, state parks, veterans' services, etc.) and the specific statutory dedication of the net proceeds of sports betting to the Employer Incentive Fund (EIF), which provides matching funds to public employers to offset public pension costs.

In 2020, DraftKings, a well-known digital gaming provider, purchased the Lottery’s sports betting provider, SBTech. The acquisition prompted the Lottery to explore contracting directly with DraftKings to provide the platform for Lottery's digital sports betting game. The Lottery determined that contracting with DraftKings would benefit the Lottery, Oregon sports betting players, and public programs that rely on Lottery funds. Benefits include, but are not limited to, improved customer experience, more attractive interface and features, simpler flow of funds through the player account, and reduced need for third-party vendors to conduct certain activities.

Pursuant to the director's authority in ORS 461.440 and specific authorization from the Oregon State Lottery Commission on August 26, 2021, the Lottery has negotiated a contract with DraftKings. Pursuant to this contract, DraftKings will be the Lottery's provider for digital sports betting games authorized by the Commission and offered by the Lottery.

The Lottery's digital sports betting game on the DraftKings platform will look very similar to players and many of the basic features of the game will continue. However, there are changes to the offering that must be reflected in the
Lottery's rules prior to execution of the contract and in preparation for the launch of the new platform and simultaneous disablement of the Scoreboard platform. (For example, but not limited to, Oregon laws require the Lottery to adopt rules that, among other things: specify the types of games to be conducted by the Oregon State Lottery; specify the number and value of prizes in each lottery game; specify the retail sales price for tickets or shares in each lottery game; specify the method for determining winners in each lottery game; establish a system for verifying the validity of tickets or shares claimed to win prizes and to effect payment of such prizes; and specify the manner and distribution, dissemination, or sale of lottery tickets or shares directly to the public. See, for example, ORS 461.210, 461.220, 461.230, 461.240, 461.250, and 461.260.) Thus, to support the contract, the launch of the new digital sports betting platform, and the disablement of game play on the Scoreboard platforms, the Lottery needs to immediately adopt, amend, and suspend rules to reflect changes to how the digital sports betting game will work on the new platform.

In addition to the general foregoing needs, the rule changes meet the following additional specific needs:

- The Lottery needs to amend OAR 177-010-0003 about definitions and repeal OAR 177-010-0115 about Lottery's data privacy and security policy because the rules no longer meet their intended need and may, instead, cause confusion about whether digital sports betting players may consent to share their information. When the Lottery originally adopted OAR 177-010-0115 and the related definitions in OAR 177-010-0003, the purpose was to bring additional transparency to the Lottery's information handling practices and to provide guidance to Lottery personnel about how to handle the increase in personal information the Lottery would have upon the launch of non-anonymous game play. (Previous to Scoreboard, game play was anonymous. The Lottery obtained only limited personal information from players if they claimed a prize that required tax withholding and reporting and debt offsets.) The Lottery wanted to provide reassurance to our players about how we would handle and share their information, as well as direction to Lottery personnel about what types of personal information might require protection. In practice, however, in the two years since the launch of Scoreboard, the Lottery has relied on Oregon laws like the Oregon Consumer Information Protection Act (OCIPA; see ORS 646A.600 et seq.) and Oregon's Public Records Law (see ORS 192.311 et seq.), as well as the Attorney General Public Record Manual to make decisions about handling, sharing, and releasing information. The Lottery has provided transparency about these practices through our Privacy Policy, which is a public statement available online and on all Lottery mobile applications that discloses to the public what information the Lottery collects and how that information is stored, used, and shared so that the public can make an informed decision about whether to share information with the Lottery. Additionally, the rule is unclear as to whether players could personally consent to share their own information, which is a requirement to establish a digital player account, through which funds can be deposited and used to play games digitally and receive prize payment. (The Lottery does not directly hold or manage player funds.) Therefore, the Lottery is repealing those definitions and the rule itself to avoid any confusion and allow the DraftKings contract and transition to proceed. As noted, the Lottery provides detailed disclosures to the public and players in its Privacy Policy available at https://www.oregonlottery.org/about/legal/. The Lottery's Privacy Policy is currently being revised and will be available to players and the public online when the DraftKings Sportsbook platforms are launched. In the meantime, both privacy policies are available upon request to the Lottery.

- The rules throughout division 046 set out general principles of game play and prize claim, validation, and payment that apply to most Lottery games. Each general provision often has an exception that applies when the game is played digitally. For example, for digital game play, a personal digital player account is required, and prize claiming and payment is all conducted through the digital player account. (This is in contrast to most traditional Lottery games where tickets are purchased in person at a retailer and players can claim their prize in person at a Lottery retailer or at the Lottery.) Lottery has reviewed these rules, and needs to amend the following rules to reflect how the various general Lottery game provisions will apply in the case of the new DraftKings platform: OAR 177-046-0015 about definitions; OAR 177-046-0022 about digital player accounts; OAR 177-046-0027 about funding the player account; OAR 177-046-0060 about cancellation of Lottery tickets and shares; OAR 177-046-0100 about ownership of Lottery tickets and shares; OAR 177-046-0110 about payment of prizes; OAR 177-046-0120 about prizes payable after death; and OAR 177-046-
• The Lottery needs to adopt OAR 177-092-0005 to provide notice to players about the status and governance of the Scoreboard digital platform during the transition period (after the DraftKings contract has been signed, but before the DraftKings platforms have launched) and after the DraftKings Sportsbook platforms are launched.

• The Lottery needs to adopt a new division of rules, division 093, to comply with various Oregon laws that require the Lottery to adopt rules that: specify the types of games to be conducted by the Oregon State Lottery; specify the number and value of prizes in each lottery game; specify the retail sales price for tickets or shares in each lottery game; specify the method for determining winners in each lottery game; establish a system for verifying the validity of tickets or shares claimed to win prizes and to effect payment of such prizes; and specify the manner and distribution, dissemination, or sale of lottery tickets or shares directly to the public. See, for example, ORS 461.210, 461.220, 461.230, 461.240, 461.250, and 461.260. The rules described in this Order (OAR 177-093-0000 about the purpose of the rules in division 093; OAR 177-093-0005 about definitions of terms used in division 093; OAR 177-093-0010 about the general description of the digital sports betting game that will be offered on the DraftKings platforms; OAR 177-093-0015 about the requirements a person must meet to play the game; OAR 177-093-0020 about how to purchase a share and place a valid bet; OAR 177-093-0025 about the price a person must pay for a chance to win a prize; OAR 177-093-0035 about prize pools; OAR 177-093-0040 about prizes; OAR 177-093-0045 about Lottery authority to void, refund, and resettle bets; OAR 177-093-0050 about prohibited conduct; and OAR 177-093-0055 about disputes and decisions of the director) meet all statutory requirements applicable to Lottery games and ensure players are aware of how the sports betting game will operate and describe the rights and responsibilities of players and the Lottery on the new platforms.

JUSTIFICATION OF TEMPORARY FILING:

The Lottery finds that failure to act promptly to immediately adopt, amend, and suspend rules as described in this temporary administrative order would result in serious prejudice to the Lottery, digital sports betting players, and public programs that rely on Lottery revenue.

Failure to take immediate action to adopt, amend, and suspend these rules would delay the contract and launch of the DraftKings Sportsbook platform by at least 60 days.

Delay would negatively impact the Lottery by delaying the contract and launch of the improved platform which is expected to be more attractive to Oregon digital sports betting players. This would negatively impact the Lottery’s ability to maximize revenue for public programs, as directed in the Oregon Constitution and ORS 461.200.

Delay would also negatively impact digital sports betting players in the state of Oregon. The Lottery believes players will prefer the new DraftKings Sportsbook platform. The delay would deprive players of the use of the platform and the improved customer service and player experience provided by the DraftKings Sportsbook. Things like improved user interface and more convenient flow of funds would be delayed during the 60-day time period.

Lastly, delay may negatively impact public programs that receive Lottery proceeds. The Legislature has directed the net proceeds for sports betting (after funds are allocated to the Lottery's constitutional beneficiaries) to the Employer Incentive Fund (EIF), which offsets public pension costs for public employers including local school districts, universities, cities, and counties. These entities that may be eligible for funds from the EIF would be denied any increased revenue that may be raised from the successful launch of the improved digital sports betting platform.

The Lottery is committed to public transparency and providing opportunities for the public and stakeholders to comment. The Lottery has discussed the DraftKings proposed contract and planned transition at several public meetings of the Oregon State Lottery Commission, most of which provide the opportunity for the public to comment.
directly to the Oregon State Lottery Commission. Upon adoption of these temporary rules, the rules will be available to the public immediately online and also distributed directly to the Oregon State Lottery Commission, the Lottery's interested parties list, and certain media and legislative contacts as required by law. The Lottery will begin the public rulemaking process shortly thereafter to allow the public and stakeholders to review and comment on the proposed rules without unnecessarily delaying the launch of the platform.

**DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE:** See last two pages of this packet for a list of documents relied upon.

**RULES:**
177-010-0003, 177-010-0115, 177-046-0015, 177-046-0022, 177-046-0027, 177-046-0060, 177-046-0100, 177-046-0110, 177-046-0120, 177-046-0155, 177-093-0005, 177-093-0005, 177-093-0005, 177-093-0010, 177-093-0010, 177-093-0020, 177-093-0025, 177-093-0030, 177-093-0035, 177-093-0040, 177-093-0045, 177-093-0050, 177-093-0055

**AMEND: 177-010-0003**

**RULE SUMMARY:** The Lottery is amending OAR 177-010-0003 about definitions that apply throughout OAR chapter 177 to delete the definitions of "personally identifiable information" and "privacy policy." These terms are used primarily in OAR 177-010-0115, which is being suspended, as described in the Statement of Need section of this Temporary Administrative Order and the Rule Summary for OAR 177-010-0115. Therefore, the terms no longer need to be defined here. (The term "privacy policy" is used in division 46. Therefore, it is defined for use in OAR 177-046-0015. See Rule Summaries for OAR 177-046-0015 and 177-046-0022 in this Temporary Administrative Order.)

**CHANGES TO RULE:**

177-010-0003

Definitions ¶
(1) "Business day" means the period beginning at 5 a.m. of a calendar day and ending at 4:59 a.m. on the morning of the next calendar day.¶
(2) "Business week" means the period beginning at 5 a.m. on a Sunday and ending at 4:59 a.m. the following Sunday morning.¶
(3) "Business year" means the period beginning at 5 a.m. on the Sunday immediately following the last Saturday in June, and ending at the end of the business day of the last Saturday of the following June.¶
(4) "Commissioner" has the meaning given in ORS 461.010(1).¶
(5) "Director" has the meaning given in ORS 461.010(2).¶
(6) "Drawing coordinator" means the Lottery employee designated by the Assistant Director for Security, subject to the approval of the Director, to develop and implement procedures for conducting drawings.¶
(7) "Gaming device" means any type of equipment or method, including any electronic or manual equipment or combination thereof, or video device, on which a game authorized by the Oregon State Lottery Commission is played. The device must display the amount that may be won, the amount wagered and any play credits available to the player. A gaming device may include a device that is intended primarily for personal or business use. A gaming device does not include a Video Lottery game terminal.¶
(8) "Gaming device game" means any procedure authorized by the Oregon State Lottery Commission that is a game on a gaming device, whereby the opportunity to win includes a wagering process using a methodology that is based predominantly on chance to determine the outcome of the wager. The outcome of the wager may involve skill, as long as the element of chance plays a predominant role. The methodology used must be testable by an independent testing laboratory.¶
(9) "Immediate family" and "family member" mean a natural person's spouse, child, brother, sister, or parent by blood or adoption.¶
(10) "Lottery" or "State Lottery" has the meaning given in ORS 461.010(3).¶
(11) "Lottery Commission" or "Commission" has the meaning given in ORS 461.010(4).¶
(12) "Lottery contract" means any contract entered into by the Lottery for the purchase, lease, or sale of goods or services.¶
(13) "Lottery contractor" or "contractor" has the meaning given in ORS 461.010(5).¶
(14) "Lottery game" or "game" has the meaning given in ORS 461.010(6).¶
(15) "Lottery game retailer" or "retailer" has the meaning given in ORS 461.010(7).¶
(16) "Lottery Headquarters" means the Debbs Potts Oregon State Lottery Commission building located at 500 Airport Road SE, Salem, Oregon.¶
(17) "Lottery Kiosk" means a location, other than Lottery Headquarters, designated by the Director as a Lottery Kiosk, where Lottery tickets or shares are sold directly to the public by Lottery employees.¶
(18) "Lottery sales location" means a Lottery Kiosk, Lottery Headquarters, any location designated by the Director for the sale of Lottery tickets and shares, or sales by the Lottery through electronic means.¶
(19) "Lottery vendor" or "vendor" has the meaning given in ORS 461.010(8).¶
(20) "Person" has the meaning given in ORS 461.010(9).¶
(21) "Personally identifiable information" means personal information as defined in ORS 646A.602 and the following information whether or not it is combined with an individual's name, other data, or a security or access code:
   (a) Information associated with an individual that contains personal financial information, including information relating to salary or wages, payment cards, or accounts held by the individual at a financial institution;
   (b) Information associated with an individual that relates to the individual's playing of Lottery games, including, but not limited to, frequency of play and amounts paid for tickets or shares, non-taxable prizes, ticket scans, and entries into second-chance drawings;
   (c) Biometric information including, but not limited to, imagery of the iris, retina, fingerprint, face, hand, palm, and voice recordings, from which an identified template, such as a faceprint, a minutiae template, or a voiceprint can be extracted; and
   (d) Signature, IP address, Internet browsing or search history, online tracking data, geolocation data, or passwords.
(22) "Privacy policy" means a statement that discloses the type of information Lottery may collect and how Lottery will secure, use, and disclose information that is periodically updated and published on the Lottery website.
(23) "Prize" means any award of economic value, monetary or otherwise, that may be distributed to a Lottery player for submitting a valid claim based on a winning Lottery ticket or share, or for a winning entry in a second chance drawing.
(24) "Retailer contract" means any written contract entered into by the Lottery with a retailer for selling Lottery tickets or shares to the public.
(25) "Second Chance Drawing" or "2nd Chance Drawing" means a drawing in which an eligible non-winning Oregon Lottery ticket or share is submitted to the Lottery for entry into a drawing for a chance to win a prize.
(26) "Share" means an opportunity to win a prize in a Lottery game that does not use certificates or tokens, such as in Video Lottery or sports betting games.
(27) "Ticket" means a certificate or token of the opportunity to win a prize in a Lottery game.
(28) "Traditional Lottery games" means the following lottery games offered by the Oregon State Lottery:
   (a) Scratch-its;
   (b) Lottery Raffle Game;
   (c) Megabucks;
   (d) Pick 4;
   (e) Lucky Lines;
   (f) Powerball;
   (g) Sports Action;
   (h) Win for Life;
   (i) Keno;
   (j) Mega Millions;
   (k) Second chance drawing; and
   (l) Any other Lottery game designated by the Oregon State Lottery Commission as a Traditional Lottery game.
(29) "Unclaimed prize" means any prize offered in a Lottery game which has not been submitted to the Lottery for validation and prize payment within the specified prize claim period and for which the Lottery has data or evidence that the ticket or share was sold or distributed to the public.
(30) "Video Lottery game" means any procedure authorized by the Oregon State Lottery Commission that is a game on a Video Lottery game terminal, whereby the opportunity to win includes a wagering process using a methodology that is based predominantly on chance to determine the outcome of the wager. The outcome of the wager may involve skill, as long as the element of chance plays a predominant role. The methodology used must be testable by an independent testing laboratory.
(31) "Video Lottery game retailer" or "Video Lottery retailer" has the meaning given in ORS 461.217.
(32) "Video Lottery game terminal" means a type of video device for the playing of Video Lottery games which is
in a console that contains a game platform with a video display and a random number generator, is connected to and monitored by a central system, and accepts cash payments to permit a person to play the Video Lottery games offered on the terminal for the opportunity to win a prize. Unless the context or a specially applicable definition indicates otherwise, any reference to a "Video Lottery terminal," "video lottery terminal," or "video terminal" in OAR chapter 177, a Lottery retailer contract, or Lottery form in effect or in use on or after the effective date of this rule shall be deemed to refer to a "Video Lottery game terminal" as defined in this section. Video Lottery Game Terminal does not include personal digital devices or any other device determined by the Oregon State Lottery Commission not to be a Video Lottery game terminal.

(341) "Website" means the Lottery’s Internet address at www.oregonlottery.org, or any other website that may be specified by the Lottery for a particular game, promotion, or promotional program.

(342) "Winner claim form" means a form provided by the Lottery to a player for the purpose of claiming a prize. Statutory/Other Authority: OR Const, Art. XV, § 4(4)(a), ORS 461.120, 461.210, 461.260, 183.325, 183.335, 461.120, 461.130, 461.150, 461.200, 461.210, 461.230, 461.250, 461.260, 461.715, 416.719, OAR 177-010-0025

SUSPEND: 177-010-0115

RULE SUMMARY: The Lottery is suspending OAR 177-010-0115 about the Lottery's data privacy and security policy. As discussed in the Lottery's Statement of Need, this rule was adopted to provide transparency to the public and guidance to Lottery personnel on handling the increased personal information that would be available to the Lottery with the launch of Scoreboard in 2019. (Prior to Scoreboard, Lottery game play was mostly anonymous. The Lottery only obtained personally identifiable information from players when they won a prize that required Lottery to withhold and report tax and conduct debt checks.)

In practice, the rule was not useful, and rather has caused confusion about the Lottery’s ability to share information for everyday business purposes and a player’s ability to consent to share their own information. Therefore, this rule is suspended, and information handling and sharing will be governed by various Oregon laws (see, for example, OCIPA and Oregon’s Public Records Law) as well as through the Lottery’s Privacy Policy, which is a disclosure of the Lottery's information collection, handling, storage, use, and disclosure practices. (The Lottery’s privacy policy is currently available online and is provided within all Lottery mobile applications. It is currently being revised and will be available when the DraftKings Sportsbook platforms launch. In the meantime, the public may request the current or revised version from the Lottery.)

Note: Pursuant to ORS 183.335(5)(b), in addition to the citations provided in the "Statutory/Other Authority" and "Statutes/Other Implemented" sections of OAR 177-010-0115, the Lottery cites to the following statutory and other legal authority relied upon and bearing upon the promulgation of the rule: ORS 183.325, 183.335, 461.130, and OAR 177-010-0025.

CHANGES TO RULE:

177-010-0115

Data Privacy and Security Policy
(1) The Lottery may be in possession of personally identifiable information that may be submitted voluntarily by a person creating a player account or filling out a prize claim form or automatically collected when a person uses the mobile app, website, or site.

(2) The Lottery will comply with ORS 646A.622 and take reasonable efforts to ensure personally identifiable information is secure from loss, unauthorized access, illegal use, or unauthorized disclosure, including through the use of encryption software, storing personally identifiable information in secure locations, and using and disclosing information only as allowed or required by law and in accord with Lottery policies and procedures.

(3) The Lottery will not sell personally identifiable information.

(4) The Lottery will maintain a privacy policy.

(5) The Lottery will not disclose personally identifiable information except as follows:
(a) In the aggregate such that no individual can be identified;
(b) As described in OAR 177-046-0130 as it relates to prize winners; and
(c) When required by law.

(6) When a person voluntarily submits personally identifiable information, participates in a promotion, uses the mobile app, or browses the website or site, the person consents to the collection, storage, use, and disclosure of the information in accordance with this rule, OAR 177-010-0100, applicable laws, and Lottery’s privacy policy.

Statutory/Other Authority: OR Const. Art. XV § 4(4)(a), ORS 461.120
Statutes/Other Implemented: OR Const. Art. XV § 4, ORS 192.018, 192.314, 461.120, 461.150, 646A.622
The Lottery is amending OAR 177-046-0015 about definitions for terms used in various divisions of chapter 177 to update definitions that will apply to the Lottery’s digital sports betting game on the new DraftKings platform. The rule is amended to apply to the new division of rules that governs the DraftKings Sportsbook (division 093). Additionally, some existing terms are amended to more accurately reflect the definition that applies; some new terms are defined for use; and some terms that are no longer used (such as “funding account”) are removed.

CHANGES TO RULE:

177-046-0015
Definitions

For purposes of divisions 10, 46, 50, 52, 69, 70, 75, 81, 83, 85, 92, 93, 94, 98, and 99, and if specifically cross-referenced in division 200, the following definitions apply, unless another definition is specifically provided or the context requires otherwise:

(1) “Bonus” means free plays or similar promotional deposits, credits, or similar incentives that the Lottery credits to the player balance at the Lottery’s discretion when the player meets any requirements that are applicable to the particular promotion. Each bonus may be subject to unique restrictions on use. Bonuses can be used to play Lottery games subject to limitations and restrictions, but bonuses have no cash value.

(2) “Cash” means United States currency.

(3) “Digitally” means an action done through a player account on the mobile app or site.

(4) “Dormant” means a player account has had no login activity for at least 36 months.

(5) “DraftKings Sportsbook” has the meaning given in OAR 177-093-0005.

(6) “Drawing” means the procedure whereby the Lottery, or a drawing agent, selects the winner or the winning combination in accordance with the rules of the game.

(7) “DraftKings Sportsbook mobile application” through which players can play sports betting games.

(8) “Electronic drawing” means any drawing that involves the use of a random number generator or other computer-driven or computer-assisted device to determine winners or winning combinations, and manual interaction is incidental to the selection process.

(9) “Electronic drawing equipment” includes any computer-driven or computer-assisted device used by the Lottery, or a drawing agent, for the purpose of determining winners or winning combinations, including, but not limited to, devices used by the Lottery’s central gaming system for the Lottery’s Draw games, or for the Lottery’s periodic internet entry, raffle, second-chance drawings, or promotional games.

(10) “Funding account” means a player’s bank account established by the player with a financial institution as described in OAR 177-046-0027 that is linked to the player account for the purpose of establishing the player balance credited to the player account.

(11) “Funds balance” means the amount of money in a player account including deposits and prizes (after required withholdings are successfully completed) but not bonuses.

(12) “Highest Prize” means the highest level of prize according to the rules applicable to the game in which the prize is won, including but not limited to, a Jackpot prize won in the Mega Millions game, a Grand Prize in the Megabucks game or a High Tier prize in the Powerball game.

(13) “Lottery Branch” means Wilsonville Payment Center or such other office as the Director may designate.

(14) “Lottery Headquarters” means the Player Services Office of the Oregon State Lottery located at 500 Airport Road SE, Salem, Oregon 97301.

(15) “Lottery Kiosk” means a location, other than Lottery Headquarters, designated by the Director as a Lottery Kiosk, where Lottery tickets or shares are sold directly to the public by Lottery employees.

(16) “Mailing Address” means P.O. Box 14515, Salem, Oregon 97309.

(17) “Manual drawing” means any drawing that does not involve the use of a random number generator or any other computer-driven or computer-assisted device to determine winners or winning combinations, and manual interaction is primary to the selection process.

(18) “Manual equipment” includes any mechanical equipment or non-electronic method used by the Lottery, or a drawing agent, for the purpose of determining winners or winning combinations, including, but not limited to, Lottery’s periodic raffle games.

(19) “Mobile app” means application software operated by the Lottery that is designed to operate on a mobile device or tablet through which a player can access their player account and play Lottery games. “Mobile app” includes the DraftKings Sportsbook mobile application through which players can play sports betting games.

(20) “Payment Device” means an electronically loaded card or other device loaded with or representing Lottery...
prize winnings or other dollar amounts of $20,000 or less, which may include, but is not limited to a debit card with a corresponding player account.

(19) "Person" means a natural person 18 years of age or older.

(20) "Player account" means a digital gaming account that an individual 21 years of age or older opens as described in OAR 177-046-0022 that allows eligible players to play games digitally. A player account includes a personal DraftKings Sportsbook digital sports betting account as described in OAR chapter 177, division 93.

(21) "Player balance" means the amount available for the player to play games digitally. The player balance is a reflection of the funds balance plus any bonuses.

(22) "Privacy policy" means a statement that discloses the type of personal information an entity may collect and how the entity will use, store, or disclose such information. Such disclosures, as amended from time to time, are provided to players online and are also available upon request from the Lottery. A privacy policy may be incorporated by reference into terms of use and terms and conditions that a player agrees to when creating a player account.

(24) "Private express carrier" has the meaning given in ORS 293.660.

(25) "Random number generator" means a computer-driven electronic device capable of producing numbers at random.

(26) "Site" means any website operated by the Lottery through which a player can access their player account and play Lottery games. "Site" includes https://sportsbook.draftkings.com/ where a player can access their player account and play sports betting games as described in OAR chapter 177, division 93.

(27) "Terms and conditions" means an agreement between an individual and the Lottery that sets out each party's rights and responsibilities regarding use of a Lottery-authorized mobile app and site and playing games and claiming prizes digitally.

(28) "Terms of use" means an agreement between a player and a third party that sets out each party's rights and responsibilities. For example, but not limited to, an individual may agree to the DraftKings terms of use that set out each party's rights and responsibilities regarding the DraftKings Sportsbook player account, including funding the player account as described in OAR 177-046-0027, and playing sports betting games on the mobile app or site.


RULE SUMMARY: The Lottery is amending OAR 177-046-0022 about digital player accounts. Currently, the only digital player accounts that facilitate playing Lottery games digitally are the digital player accounts required for digital sports betting. Therefore, the rule is amended to include any specific requirements that will apply to the DraftKings Sportsbook digital player account. The main substantive change in the amended rule is the language is clarified to reflect that the Lottery does not control or manage each player's digital player account; rather, a player enters an agreement with DraftKings to hold and manage the player account for the benefit of the player and to facilitate digital play and flow of funds (deposits, purchasing shares, any prizes won, and withdrawals) through the account. See also OAR 177-046-0027.

CHANGES TO RULE:

177-046-0022
Player Account
(1) General: To play Lottery games digitally, an individual must establish a player account by accurately completing the registration form provided on the mobile app or site.
(2) Eligibility: To be eligible to create a player account and play games digitally, an individual must:
(a) Be at least 21 years of age;
(b) Open one player account only in the individual's own legal name, for their sole benefit, and not on behalf of anyone else;
(c) Have a high-speed Internet connection and consent to the use of geolocation technologies to verify the individual's location when playing a Lottery game on a mobile app or site;
(d) Provide all information requested to verify the individual's age, identity, and eligibility and consent to the verification of the individual's identifying information, including the release of information provided by the individual to third parties to verify such information;
(e) Establish a funding consent to the terms of use presented to the individual by the entity holding the player account, including, but not limited to, terms relating to the flow of funds through the player account as described in OAR 177-046-0027;
(f) Agree to the terms and condition and comply with any terms of use, terms and conditions, privacy policies, and in-game rules, as they are updated from time to time, provided on the mobile app or site.
(3) Verification. Within 30 days of an individual's initial registration with the Lottery to create a player account, the Lottery must be able to verify the individual's identity. This includes sharing information provided by the individual with third parties for the purpose of verifying the information. The player may need to provide additional documentation to the Lottery or a Lottery contractor, or other third-party including, but not limited to, government-issued photo identification and proof-of-address documentation.
(4) Player Account Maintenance Responsibility. A player must ensure that the player account information is kept updated. The player is responsible for all activity, charges, and damages that occur on their player account. The player must take reasonable efforts to protect the privacy of the player account password and prevent unauthorized access to the player account including, but not limited to, logging out of the player account when not in use. The player must immediately notify the Lottery or the entity holding the player account if the player suspects unauthorized access to the player account.
(5) Prohibited Conduct. A player may not engage in any conduct prohibited by this rule or other applicable rule, law, terms of use, or the terms and conditions. Without limiting the forgoing, a player may not:
(a) Use the player account for any other purpose than its intended purpose, which is to facilitate playing Lottery games digitally; this includes, but is not limited to, use of the player account for any commercial purpose or in a way that impairs, interrupts, or damages the mobile app or site; to promote any products or services; or to distribute any communications, including any defamatory, offensive, or obscene content;
(b) Use (or upload to the mobile app or site) any form of malware or engage in any automatic game playing or similar manipulation of game;
(c) Allow, facilitate, or encourage a person who is under 21 years of age to play Lottery games that require a player account or otherwise allow any other person to use the player account;
(d) Engage in or attempt any illegal, fraudulent, or dishonest activity in connection with a player account or funding account, including, without limitation, using a stolen payment card, forgery, collusion, cheating, bribery, bookmaking, money laundering, and providing false information to the Lottery;
(e) Take unfair advantage of or exploit any technical fault or loophole on the mobile app or site or an error by the Lottery or its contractor or in the Lottery's or its contractor's software;
(f) Player Account Monitoring and Reporting: The player account may be monitored to ensure the player is not
engaging in any prohibited conduct. Information on such activities may be reported to law enforcement or the appropriate regulatory authorities and other third parties.¶

(7) Player Account Denial, Closure, or Suspension by the Lottery:¶

(a) Player accounts are offered at the discretion of the Lottery to facilitate digital game play. The Lottery, or the Lottery's vendor acting on behalf of Lottery, may refuse to open, suspend, deny access to, or close a player account at any time and without prior notice in order to protect the fairness, integrity, security, and honesty of the Lottery, including, but not limited to, for any of the following reasons:¶

(A) The Lottery is unable to verify the accuracy of the information provided by a player at registration;¶

(B) A player breaches or violates any Lottery administrative rule, or applicable law, or the terms or conditions the player has agreed to on the mobile app or site;¶

(C) A request by law enforcement or other government agencies;¶

(D) Unexpected technical or security issues or problems, including any suspected compromise or breach of the player account security;¶

(E) A player engages in any of the prohibited conduct described in this rule or applicable game rule;¶

(F) A player has more than one player account;¶

(G) A player account has had no player-initiated activity for at least 12 months and is dormant;¶

(H) Monitoring of player account activity indicates the player account is not being used for its intended purpose; or

(I) At the discretion of the Lottery for any other reason;¶

(J) Pending resolution of processes required by ORS 461.715 and 461.719 (holding of certain prizes for child support or overpayment recovery); or¶

(K) At the discretion of the Lottery or Lottery's vendor for any other reason, or by Lottery or Lottery's vendor as described in the terms of use for the player account.¶

(b) If a player account is suspended or closed by the Lottery, the player will be unable to play games but may still access the related funding account. However, if a player account is suspended or closed, generally the player will be able to have their funds in their player account returned to them, unless the account has been suspended or closed based on suspicion of illegal activity or prohibited conduct. Any purchases by a player of tickets or shares that are pending or unconfirmed bets, bonuses, and entries in promotions or competitions will be void. If a player has confirmed purchases of tickets or shares at the time of account suspension or closure, such confirmed tickets or shares will stand unless otherwise voided or refunded by the Lottery. If the confirmed tickets or shares are for future events or games (such as a bet on a future sporting event or a ticket for a future drawing), the Lottery will credit any prizes to the funding account during account suspension or closure.¶

(c) The Lottery, either directly or acting through Lottery's vendor, will notify a player if a player account is refused, suspended, or closed, or considered dormant, or if a player is denied access to games. This notice is a decision of the Director and is a final order in other than a contested case under ORS 183.484.¶

(8) Account Closure by Player:¶

(a) Except as provided in subsection (b) of this section, a player may close their player account at any time for any reason as provided in the mobile app or site.¶

(b) The Lottery may delay the terms of use.¶

(b) Closure of a player account may be delayed in certain circumstances including, but not limited to, when the player account has a negative balance, has confirmed purchases of tickets or shares on future events (such as a bet on a future sporting event or a ticket for a future drawing), or the player account has been suspended by the Lottery.¶

(c) At the time a player closes the player account, any purchases by a player of tickets or shares that are pending or unconfirmed bets, bonuses, and entries in promotions or competitions will be void. If a player has confirmed purchases of tickets or shares at the time a player closes the player account, such confirmed tickets or shares will stand. If, at the time the player account is closed, the confirmed tickets or shares are for future events or games (such as a bet on a future sporting event or a ticket for a future drawing), the Lottery will credit any prizes to the player's funding account.¶

(d) If a player closes the player account, the player will be prompted to withdraw any remaining funds in the funding account. If the player has confirmed purchases of tickets or shares or confirmed bets on future events, the funding account will remain open pending settlement of those purchases to allow the Lottery to pay the player in the event the player wins a prize at a future date.¶

(9) Limitation of Liability: In addition to other limitations on the Lottery's liability in OAR chapter 177 or applicable terms of use or terms and conditions:

(a) The Lottery is not liable for any loss or damage arising from any use of or access to the player account, including, without limitation, any authorized or unauthorized use of the player account or funding account. All purchases and activity on a player account are the sole responsibility of the player account registrant.
(b) The Lottery shall, will, and will require its vendors, to take reasonable precautions to protect the privacy of the player's username, password, account information, and all financial information. The Lottery may not and does not guarantee or warrant that information transmitted through the Internet is secure or that such transmissions are free from delay, interruption, interception, or error.

(c) The Lottery shall, will, and will require its vendors, to take reasonable care to provide players with digital access to their player account and Lottery games. However, the Lottery nor its vendors may not and does not guarantee or warrant the accuracy, availability, completeness, or timeliness of any content available through the mobile app or site. The Lottery nor its vendors are not liable for any damages or losses resulting from unavailable, inaccurate, inadequate, incomplete, or untimely content. The Lottery nor its vendors does not promise the mobile app or site will have uninterrupted availability or be free of malfunctions, bugs, or other errors. The Lottery nor its vendors are not liable for any disruption in access to the mobile app or site.


RULE SUMMARY: The Lottery is amending OAR 177-046-0027 about the flow of funds through a digital player account. The rule as amended clarifies terminology and states more clearly that the Lottery does not hold or manage a player’s money; rather, the player enters into an agreement with the entity holding the player account by agreeing to the terms of use presented to the player when the player account is created. Those terms of use govern the player account, including how funds flow into and out of the player account.

CHANGES TO RULE:

177-046-0027
Funding Account
(1) Funding Account Required: T General: The Lottery does not hold or manage money on behalf of players. Therefore, to play Lottery games and claim prizes digitally, the player must establish a funding account for the player’s benefit and digital player account as described link this funding account to their player account. To establish the funding account, a player must agree to the terms and conditions of the financial institution that holds the funding OAR 177-046-0022. This includes agreeing to and complying with any terms of use presented to a player by the entity holding the player account. The funding player account will then be used, as described in the terms of use, to provide digital credits to the player account that may be used by the player to purchase tickets or shares and receive prizes.¶

(2) Funding Account Fees. The Lottery fees. The entity holding the player account does not charge for deposits or withdrawals from the funding or out of the player account. Neither the Lottery is not, nor the entity holding the player account, are responsible for any fees that may be charged to the player by a payment processor, or financial institution, pursuant to an agreement with the player.¶

(3) If a deposit is charged back for any reason, the amount of the original deposit will be deducted from the player account and any prizes paid from winning tickets or shares that were purchased using the original deposit that was charged back will be forfeited and deducted from the player account.¶

(4) Player Credits. A player may only purchase tickets or shares up to the player balance; under no circumstances will the Lottery or its vendor extend credit to a player. A player is not entitled to funds incorrectly allocated to the player account. The entity holding the player account is entitled to reverse such credits from the player account and recover any funds that may have been withdrawn from the funding account related to any over crediting of the player account.¶

(5) Bonuses: The Lottery may, in its sole discretion, from time to time, offer bonuses or similar promotional incentives. Bonuses appear as digital credits in the player account and may be used to play Lottery games subject to limitations, but bonuses have no cash value and are not available to withdraw.¶

(6) Prizes: For Lottery games played digitally, prizes are claimed, validated, and paid digitally through the player account according to the rules for the particular game and OAR 177-046-0110.¶

(7) Withdrawals:¶
(a) Once a player’s prize is deposited in the funding player account, the Lottery considers the prize claimed by the player. A player may withdraw from their funding player account at any time up to the funds balance, subject to any limitations in the terms and conditions of the financial institution or terms of use of the entity holding the funding player account or other payment processors used by the player.¶
(b) The player is responsible for providing accurate and updated information to the bank holding the funding account, Lottery and its service providers and for providing accurate information when requesting to withdraw. The Lottery is not responsible for delays or losses caused by incorrect payment method information provided by the player. Once a withdrawal is approved, the Lottery is not responsible for any third-party financial clearing processes that may delay or prevent the player’s receipt of any withdrawn funds.¶

(8) The money in a player’s funding account is held solely for the benefit of the player and is not monitored or managed by the Lottery for the player. The funding accounts associated with an inactive dormant player account may be considered abandoned. Any abandoned funds in the funding account may be subject to escheat or similar laws regarding dormant bank accounts or abandoned property under the laws of the jurisdiction where the funding player account is established.

The Lottery is amending OAR 177-046-0060 about how Lottery tickets and shares can be cancelled by a purchaser. The amendment simply changes the reference from Scoreboard to DraftKings Sportsbook; neither platform allows players to cancel confirmed bets.

CHANGES TO RULE:

177-046-0060
Cancellation of Lottery Tickets and Shares ¶

(1) General: Except as provided in section (2) of this rule, if a specific rule provides that the purchaser of a Lottery ticket or share may cancel the purchase, the following is the procedure for cancellation:¶

(a) To cancel a purchase of a Lottery ticket or share, the player must return it to the selling retailer on the day of purchase before wagers are disabled prior to the first drawing or other winner determination time as applicable.¶

(b) The player shall receive a refund from the retailer equal to the purchase amount of the Lottery ticket or share.¶

(c) If a Lottery ticket or share cannot be cancelled because the Lottery’s central computer system does not record the cancellation in a timely manner due to a mechanical or electronic transmission malfunction, credit may still be given to the retailer provided the following steps are taken:¶

(A) The retailer attempts to cancel the Lottery ticket or share before wagers are suspended and a computer record of the attempt is created.¶

(B) The retailer calls the Retailer Services Hotline and gives the Lottery ticket or share's identifying number to the operator, and

(C) The retailer mails the Lottery ticket or share to the Lottery within two weeks from the date of purchase.¶

(2) Notwithstanding section (1) of this rule or any other rule:

(a) Exchange tickets or shares cannot be cancelled under any circumstances.¶

(b) A player may not cancel a confirmed bet in Scoreboard, the DraftKings Sportsbook. The Lottery may refund a confirmed bet only as provided in OAR chapter 177, division 9.

Statutory/Other Authority: OR Const, Art. XV, 4(4)(a), ORS 461.120, 461.260, 183.325, 183.335, 461.120, 461.130, 461.150, 461.250, 461.260, OAR 177-010-0025

AMEND: 177-046-0100

RULE SUMMARY: The Lottery is amending OAR 177-046-0100 about ownership of Lottery tickets and shares to clarify that, unlike most other Lottery games, a share or confirmed bet in digital sports betting is not a bearer instrument. This is because, with a digital player account, the Lottery knows the identity of the purchaser and, thus, considers the account registrant to be the sole and rightful owner of any such share or confirmed bet. (In most other Lottery games, game play is anonymous, and therefore, tickets and shares are bearer instruments.) The rule previously referred generally to digital game play, but now specific reference is made to the DraftKings Sportsbook, as that is currently the Lottery’s only game in which tickets or shares are purchased digitally by a known player account registrant.

CHANGE TO RULE:

177-046-0100
Ownership of Lottery Tickets and Shares ¶

(1) Bearer Instrument: Except for a Lottery ticket or share claimed jointly in accordance with the provisions of OAR 177-046-0110(5), until such time as a name of an individual or individuals is placed upon a physical Lottery ticket or share, the ticket or share is a bearer instrument and is owned by the bearer of the ticket or share. When a name or names is placed on the ticket or share, the ticket or share ceases to be a bearer instrument and the individual whose name appears on the ticket or share is the owner of the ticket or share. Only a natural person at or above the age of game eligibility may own a ticket or share and claim a prize. ¶

(2) Multiple Names: Multiple individuals at or above the age of game eligibility may jointly own, possess, and claim a prize as owners of a winning ticket or share as provided in OAR 177-046-0110(5). Multiple individuals hold the ticket or share as tenants in common. Multiple individuals may specify the percentage of ownership each person holds. Each person must hold $1.00 of the prize at a minimum. ¶

(3) Notwithstanding sections (1) and (2) of this rule:

(a) Second Chance Drawing: Only one natural person can claim ownership of a non-winning ticket or share used to enter a second chance drawing. Non-winning tickets submitted and accepted as a valid entry in a Lottery second chance drawing cannot be jointly owned. Only the person who claims ownership may submit the non-winning ticket as an entry to a second chance drawing and only that person may claim the prize if the person’s entry is selected as a winning entry in a second chance drawing. ¶

(b) In any Lottery game played digitally, the DraftKings Sportsbook, only the registrant of the player account can claim ownership of a ticket, share, confirmed bet, or prize on a winning bet purchased through the player account. ¶

(c) Win for Life: Only one natural person can claim ownership of the Top Prize in Win for Life as described in OAR 177-094-0080.


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RULE SUMMARY: The Lottery is amending OAR 177-046-0110 about payment of prizes to cover any differences in prize payment that will apply to the DraftKings Sportsbook platform. Prize claim and payment will be very similar to how it worked for Scoreboard, but some slight changes are made relating to the “funding account” (this terminology is no longer used) and specific reference to DraftKings Sportsbook is added where appropriate.

CHANGES TO RULE:

177-046-0110
Payment of Prizes ¶

(a) All winning Lottery tickets or shares may be presented to the Oregon State Lottery for payment or, if permitted by the applicable game rule, some winning tickets or shares for prizes of $600 or less may also be presented for payment to the appropriate Lottery retailer.

(b) Timing and Deadline for Submitting a Claim: Any winning draw game ticket of $50,000 and over is not eligible for prize payment until the next Lottery business day after it is issued. Whether a claim for a prize is submitted to a retailer or to the Lottery by mail, private express carrier, secure drop box, or by an individual personally presenting the claim, the winning ticket or share (including the completed claim form, if applicable) must be received by the retailer or the Lottery within one-year after the drawing results become official (for draw games) or one year after the end of the lottery game in which the prize was won, unless a different time period is specified by the Lottery in the rules for a particular game or promotion. If the final day of the one-year claim period falls on a day when the Lottery is not processing prize claims, such as a weekend, Lottery holiday, furlough closure day, or unforeseen circumstances, the claim period shall be extended until 5:00 p.m. on the next day the Lottery is processing prize claims.

(c) Failure of Delivery: The claimant of a prize bears all risk associated with the method chosen to submit a claim, the timeliness of the claim submission and, in the case of submission by mail, private express carrier, or secure drop box, failure of the claim to be received by the Lottery or a retailer.

(d) If the Director determines that the ticket or share is invalid, or a non-winning ticket or share, or the claim is invalid, the Director shall deny the claim and the Lottery will notify the claimant. An invalid ticket or share will not be returned to the claimant and is not eligible for any second chance or promotional drawing. A non-winning ticket will only be returned to the claimant if the claimant provides return postage and a self-addressed envelope or mailing container in which to return the ticket.

(e) Conflicting Information or Discrepancies: If there is conflicting information or discrepancies including, but not limited to, between the name or names on a winning Lottery ticket or share and the name or names on a claim form, the Lottery may withhold prize payment until the conflicting information has been resolved to the Director's satisfaction. Discrepancies include, but are not limited to, names or addresses scratched out or erased or unreadable or altered names or addresses.

(f) Investigations: At the discretion of the Director or Assistant Director for Security, the Lottery may conduct an investigation to aid in the determination of the rightful owners prior to payment of any prize.

(g) Determinations: The Director's decisions regarding the determination of a winning Lottery ticket or share, or the determination of the rightful owner or owners of a prize, or of any other dispute or matter arising from payment or awarding of prizes are final and binding on all parties claiming an ownership interest in a prize.

(h) Payment Decisions: The Director shall make the final decision on whether any prize is paid or any annual prize payment is made. All prizes shall be paid within a reasonable time after they are validated, unless the Director delays a prize payment. The Director may, at any time, delay any prize payment in order to review the validity of a prize claim, or review a change of circumstances relative to the prize awarded, the payee, or the claim, or review any other relevant matter that may come to the Director's attention. Except as set forth in OAR 177-098-0060, for any prize requiring annual payments, all payments after the first payment shall be made on the anniversary date of the first payment in accordance with the type of prize awarded. Any delayed annual payment will be brought up to date immediately when payment is authorized by the Director.

(i) Social Security Numbers or Individual Taxpayer Identification Numbers (ITIN): Each United States resident or nonresident alien who is to receive a payment of winnings greater than $600 shall furnish to the Lottery the information required on the Internal Revenue Service Form W-2G (or any other form required by the IRS), including but not limited to the winner's name, address, and social security number or ITIN. This disclosure is mandatory and the authority for such disclosure is 42 USC 405(c)(2)(C), 26 CFR 31.3402(a)-1(e), and ORS 461.715(1)(a). A winner's social security number or ITIN will be used for the purpose of identifying child support obligors and payments owed and to administer state and federal tax laws, including collection of tax.
(j) Deductions from Prize Amount Paid: When a prize claim is submitted or claimed digitally through a player account, the Lottery will reduce the amount of the prize actually paid to the winner by any amounts required by law to be withheld from payment, including without limitation applicable tax withholding, a writ of garnishment or other legal attachment, child support, or other obligations owed to the State of Oregon. A winner will not be entitled to the full prize amount in such cases and the amounts withheld will be transferred or retained by the Lottery as required by law.¶

(2) Retailer Validation and Payment of Prizes: To determine whether a physical Lottery ticket or share presented for payment entitles the holder to a prize, a retailer must validate the claim with the Lottery by scanning the bar code or manually entering the bar code number printed on each Lottery ticket or share into equipment provided by the Lottery, and, if authorized by the Lottery, pay the holder the prize amount due.¶

(a) Retailer Payment: Unless the prize has multiple owners, a retailer is authorized to pay a prize of $600 or less and shall pay that prize in cash or check, or any combination thereof.¶

(b) Dishonored Check: If a retailer’s prize payment check is dishonored, the payee of the check may seek payment from the Lottery by presenting a copy of the dishonored check at Lottery Headquarters or a Lottery Branch during Lottery business hours, or by mailing a copy of the dishonored check with a winner claim form to the Lottery Mailing Address. If the Lottery determines that payment of the prize is authorized, the retailer has not paid the prize, and it is unlikely that the retailer will pay the prize, the Lottery may then issue a check to the payee of the dishonored check in the amount of the prize due. The Lottery may require submission of the original check issued by the retailer prior to making payment to the payee.¶

(c) Retailer Sanction: A retailer that pays a prize with a check that is dishonored may be subject to termination of its Lottery Retailer Contract.¶

(3) Submission of Prize Claim to Lottery: The holder of a winning ticket or share may claim a prize by submitting the winning ticket or share using one of the methods described in this section, unless a different method is provided for claiming a Highest Prize in the specific rules for the game from which the Highest Prize is derived. A winner claim form may be obtained from any Lottery retailer, from the Lottery Headquarters or a Lottery Branch, or may be downloaded from the Lottery’s website.¶

(a) Presenting Claim at Lottery Headquarters or Lottery Branch: Except as provided in subsections (d) and (e) of this section, a claimant may bring and present a ticket or share at Lottery Headquarters or a Lottery Branch during Lottery business hours, unless the ticket or share, or a Lottery rule, specifies that the ticket or share may only be presented at Lottery Headquarters. Prize claims worth $50,000 or more must be presented to the Lottery in person unless an exception is approved under subsection (b) of this section.¶

(b) Presenting Claim by Mail, Private Express Carrier, or Secure Drop Box:¶

(A) A claimant may present a claim by mail or private express carrier by signing the ticket or share, writing the claimant’s mailing address on the ticket or share, completing a winner claim form, and mailing it together with the winning ticket or share to the Lottery Mailing Address. Registered mail is recommended.¶

(B) The Lottery may provide a secure drop box on Lottery Headquarters premises into which a claimant may deposit a signed ticket or share and completed winner claim form. Such secure drop box will be marked as such with Lottery signage. The claim is considered received by the Lottery on the date the claim is retrieved by Lottery personnel from the secure drop box.¶

(c) Unless an exception is approved by the Director or Assistant Director for Security (or, in the event of both of their absences, a person acting as a designee for the Director or Assistant Director for Security), only claims worth less than $50,000 may be submitted to the Lottery by mail, private express carrier, or secure drop box.¶

(c) Retailer Sanction: A retailer that pays a prize with a check that is dishonored may be subject to termination of its Lottery Retailer Contract.¶

(c) Electronic Claim Form: A winner may submit an electronic claim form through the Internet if a winning ticket or share has already been presented using one of the methods specified in subsection (a) or (b) of this section. If the winner submits an electronic claim, the form is received by the Lottery only when the claim enters the Lottery’s information processing system in a form that is retrievable by the Lottery and at the time and date noted by the Lottery’s information processing system. The Lottery is not responsible for any electronic transmission failures or errors. An electronic winner claim form must include the winner’s electronic signature that meets the requirements specified by the Lottery on the instructions for the winner claim form.¶

(d) Claiming Through the Player Account: For any Lottery game played digitally DraftKings Sportsbook Player Account: In the DraftKings Sportsbook, a prize is considered claimed immediately upon validation by the Lottery that the ticket or the share is a winning ticket or share as determined by the rules for the particular game. Upon such validation, the player will be the owner of the prize and the Lottery will withhold any taxes or other offsets required by law before the prize is deposited. Less such withholdings, if any, into be withheld will be withheld and any amounts remaining will be credited to the player’s funding account. There are no unclaimed prizes in Lottery games played digitally the DraftKings Sportsbook game and prizes in such games may only be claimed as provided in this subsection.¶

(e) During the public health emergency related to COVID-19, the Lottery will comply with executive orders intended to prevent the spread of COVID-19 and may limit available methods for claiming prizes, especially in-
person claiming, during the state of emergency. Claimants may be able to schedule appointments to claim prizes in person, although appointments may be limited as needed to protect the health and safety of staff and the public and to comply with executive orders.¶

(4) Lottery and Prize Payment Methods: Upon validation of a winning Lottery ticket or share presented to the Lottery for payment, the Director may pay the amount of the prize due to the owner of the ticket or share in the payment method determined by the Lottery to be the most appropriate subject to the following:

(a) Lottery Cash Payment: Cash prize payments are only made at Lottery Headquarters and are limited to $50 per person per day. Any prize payment balance remaining above $50 shall be paid by check or payment device. Lottery will not mail cash.¶

(b) Prize Payments over $20,000: Any prize in an amount that is over $20,000 will be paid by the Lottery using the method that it determines is most secure and effective in light of the circumstances of the winner and the Lottery. Any merchandise prizes valued in excess of $20,000 will be paid as merchandise.¶

(c) Payment Through the Player Account: In any Lottery game played digitally DraftKings Sportsbook Player Account: In the DraftKings Sportsbook digital sports betting game, the Lottery only pays prizes digitally by crediting the player account after the withholding of any amounts required by law to be withheld from payment and depositing an equivalent amount to the funding account.

(5) Claiming Lottery Tickets or Shares Jointly: If more than one name appears on a Lottery ticket or share, or if a Lottery ticket or share is owned by two or more claimants, and the names appearing and ownership by more than one person was mutually agreed upon, the prize must be claimed in accordance with the following:

(a) General: All persons claiming ownership of the winning Lottery ticket or share must complete and sign the Lottery’s Request to Divide and Release Form or Release of Ownership Form at the time the prize is claimed. Each of the claimants signing the form must indicate his or her proportionate share of the prize. Each claimant must receive at least $1.00. At least one of the claimants of the ticket or share must sign the ticket or share. That person’s signature must also appear on the request and release form. If a winning ticket or share is mailed to the Lottery with multiple signatures on it, the Lottery will mail the request and release form to each of the claimants.

(b) Relinquishment of Interest: If a person has signed a Lottery ticket or share to relinquish the person’s ownership interest in the Lottery ticket or share, that person must sign the Lottery’s release of ownership form relinquishing the person’s ownership interest to the person the owner designates on the form. In no event will a person be permitted to relinquish ownership interest once it is determined that the person owes money for child support, other legal attachment has taken place or other amounts are otherwise required to be withheld by law. Once the Lottery receives the release of ownership form, it is irrevocable.

(c) Deceased Signatories: A deceased signatory who dies before signing the request and release form will be presumed to have an ownership interest equal to that of the other signatories. In the event there is a deceased signatory, the Director may withhold payment for 60 days from the date of validation to allow co-owners the opportunity to seek a declaratory ruling from a court.

(d) Issuance of Prize Checks to Multiple Owners: If a validated winning Lottery ticket or share is claimed by multiple owners who are sharing a single prize, the Director will pay each owner claiming a share of the prize amount that portion of the prize amount claimed by each owner, with the total shares paid not to exceed the total prize amount. No cash payments will be made to multiple owners. However, the Director reserves the right to issue a single prize payment to an owner whose name appears on the ticket or share instead of multiple prize payments to the owners of the ticket or share if the value of each separate prize share would be less than $50 or if the number of owners claiming a share of the prize exceeds 100 people. Lottery retailers are not authorized to pay multiple owners who share a single winning prize.

(6) Second Chance Drawing Prize: Sections (5) and (7) of this rule are not applicable to a prize claim from a second chance drawing. Prizes awarded by the Lottery from second chance drawings must be claimed in accordance with the provisions of OAR 177-052-0060 and only the person who submitted the winning entry in a second chance drawing may claim and be paid the prize.

(7) Power of Attorney.

(a) General: The owner of a winning ticket or share may designate in a written power of attorney an agent to act on the owner’s behalf and to receive a prize payment on behalf of the owner. The Director shall confirm both the written authorization and the agent. An owner is encouraged to select a bonded agent. The Director may pay a prize to an agent for the owner of a winning ticket or share only if the Director determines that the agent has presented a valid power of attorney under Oregon law authorizing the Lottery to disburse a winning prize amount to the agent on behalf of the owner named on the winning ticket or share. The Director may require that any power of attorney submitted to the Lottery be in a form prescribed by the Lottery. The Director will accept a power of attorney for a winning ticket or share only when there is a single owner of the ticket or share. The owner of the ticket or share for whom a claim is submitted under a power of attorney must be a natural person over the age prescribed in the applicable game rules and be otherwise eligible to play Lottery games and claim a Lottery prize.
(b) Method of Payment: The Lottery will not disburse cash to an agent for a winner. The Lottery will disburse payment to the designated agent for a ticket owner only by check, payment card or other method payable to the named owner of the ticket or share, not to the name of the agent.

(c) Power of Attorney Form: A power of attorney submitted to the Lottery must, at a minimum: (i) be in written form, (ii) specify the name, address and telephone number of the owner of the ticket or share; (iii) be dated with a date that is later than the determination of the winner for the game in which a winning prize is being claimed, (iv) specifically identify the winning prize and the game won, (v) specify the name, address and telephone number of the agent who is authorized to claim the prize for the owner; and (vi) clearly state that the agent may complete a claim form and sign the ticket or share in the name of the owner and receive payment of the prize for the owner.

The Director, in his or her discretion, may also accept a general power of attorney form for a disabled or incompetent player if the Director determines that the general power of attorney is valid under Oregon law and that payment to the agent of a Lottery prize is within the authority conferred upon the agent under the general power of attorney.

(d) Identification of Owner: The Director may confirm to the Director’s satisfaction that the agent is authorized to claim a prize on behalf of the owner of a winning ticket or share. The Director may attempt to verify or contact the owner of a winning ticket or share that is being claimed by an agent. The Director may request copies of additional documentation to establish the identity of the owner and the validity of the power of attorney including, without limitation, a driver’s license, passport or similar identification and documents pertaining to the identity and signature of the owner in order to verify the validity of the power of attorney.

(e) Appearance: An agent may not present a winning ticket or share through the mail or by private express carrier, but must physically present the winning ticket or share with the power of attorney and any supporting documentation at the Lottery Headquarters to claim the prize payment on behalf of the owner. Subsequent to receipt of acceptable identification, along with a completed claim form from the agent, and the Director’s review and approval of the power of attorney and other supporting documentation required by this rule or requested by the Director, the agent, in the presence of a duly authorized Lottery official, shall sign the owner’s name on the winning Lottery ticket or share in the place indicated on the ticket or share and immediately return it to the Lottery. The Director shall then disburse payment as provided in these rules.

(f) Discharge of Lottery from Liability: The owners of lottery tickets or shares are responsible for safeguarding their tickets or shares and assume the risk of an agent with apparent authority from the owner presenting a claim for payment from the Lottery on behalf of the owner. The State of Oregon, its agents, officers, employees, and representatives, including but not limited to, the Oregon Lottery, its Director, agents, officers, employees, and representatives, are discharged of all liability upon payment to an apparent agent for the owner of a winning ticket or share in accordance with this rule. The Lottery is not responsible in any way for the fulfillment or completion of any agreement or power of attorney between the owner and the agent. The Director’s decisions regarding the determination that a Lottery ticket or share is, or is not, a winning ticket or share or any question or dispute arising from the payment of such a prize is final and binding on all parties. In the event a question or issue arises regarding payment of a prize through an agent, the Director may withhold payment until the question or issue is resolved. The Lottery, the owner or the purported agent may petition a court of competent jurisdiction for judicial resolution of the matter.

(g) This section does not apply to any Lottery game played digitally. Prizes in such games are not claimed through a power of attorney; provided, however, moneys may be withdrawn from a funding account if the form of power of attorney is approved and given effect by the financial institution holding the funding account.

(8) Validation and Payment of Lost, Damaged or Destroyed Tickets or Shares: If a player of a game cannot submit an intact winning ticket or share because a retailer lost, damaged, or destroyed the ticket or share while attempting to perform validation procedures on the game ticket or share, or because the ticket or share was otherwise damaged so that it cannot be validated through the Lottery’s central computer system or because it is otherwise unreadable, a prize claim based on such lost, damaged, or destroyed ticket or share may still be validated provided the claim is made before the end of the applicable claim period. For purposes of this rule, a ticket or share is unreadable if there is insufficient information remaining on the ticket or share for the Lottery’s Security Section to reconstruct and validate the ticket or share.

(a) Player Form and Affidavit: To claim a prize based on a lost, damaged, or destroyed ticket or share, the player must obtain, complete, and sign a winner claim form and a claim affidavit furnished by the Lottery. The player shall submit the two completed forms along with any other evidence of the validation attempt that is in the player’s possession (including, but not limited to, any slips, receipts or other evidence of play produced by the terminal at the time of the validation attempt) to the Lottery either by mail to the Lottery Mailing Address (registered mail recommended) or in person at the Lottery Headquarters or a Lottery Branch during Lottery business hours.

(b) Evidence: The evidence submitted by the claimant must corroborate any validation attempt of the ticket or
share by a retailer including, but not limited to, identification of the Lottery game retailer or clerk who attempted to validate the prize, the time and date of the validation attempt, the ticket or share validation number, the terminal number, and the prize amount.

(c) Investigation: The Assistant Director for Security will conduct an investigation to determine if the claim and winning game ticket or share are valid.

(d) Retailer Affidavit: A retailer who is the subject of an investigation conducted under this section must complete and provide to the Lottery a retailer affidavit form explaining the events in question.

(e) Director’s Determination: Based upon all the facts and information available, the Director shall determine whether prize payment is warranted and authorized.

(f) Payment of Prize: Upon the Director’s determination that the ticket or share submitted under this section is a valid, winning ticket or share, and that the player is the proper person to whom a prize is payable, the Lottery shall present or mail a check to the claimant in the amount of the prize due to the claimant.

(g) Restriction of Payment: Payment of claims submitted under this section is restricted to the prize amount. A winner is not entitled to lost interest earnings or any other form of damages due to a delay in a payment of a prize while the validation process described in this rule is completed.

(h) Retailer Sanctions: The Director may sanction a Lottery game retailer for the loss, damage or destruction of a winning ticket or share including, but not limited to imposing, a requirement for training for the retailer or the retailer’s employees, and any other actions that the Lottery may take in response to a retailer’s failure to perform contract duties or requirements as described in the Lottery retailer contract.

(i) Notification of Denial: If the Director determines that the ticket or share is invalid, or a non-winning ticket or share, or the claim is invalid, the Director shall deny the claim and notify the claimant. An invalid ticket or share will not be returned to the claimant and is not eligible for any second chance or promotional drawing. A non-winning ticket or share will be returned to the claimant if the claimant provides return postage and a self-addressed envelope or mailing container in which to return the ticket or share. If a claim is denied, the Director may, in his or her discretion, provide the claimant with one or more replacement tickets as provided by OAR 177-046-0160.


AMEND: 177-046-0120

RULE SUMMARY: The Lottery is amending OAR 177-046-0120 about prize payment after a winner's death is amended to clarify terminology related to accessing a player's fund after death from the DraftKings Sportsbook digital player account.

CHANGES TO RULE:

177-046-0120
Prizes Payable after Death ¶

(1) General: If the winner of a Lottery game dies before claiming his or her prize, the decedent's claim may be presented and validated as provided in this rule within any applicable deadlines for claiming the prize. If a prize winner dies after the prize has been claimed and validated, but before the prize has been entirely paid (such as an annuity prize payment), the remaining prize amount may be paid to the estate of the deceased prize winner as provided in this rule, unless a rule specific to that prize provides otherwise. The Director may rely on the presentment of certified copies of the court's appointment of a personal representative, the death certificate for the deceased prize winner, or other evidence of person(s) entitled to payment of the decedent's prize winnings and may make payment to the estate of the deceased winner once the Director is satisfied that such payment is lawful and proper. ¶

(2) Release Form: For a deceased prize winner, the personal representative of the winner's estate, or all the parties listed on a beneficiary designation form if one is on file, must sign the Lottery's release form before payment of the prize or any remaining portions of the prize. ¶

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

(4) Any amounts held in a funding player account upon the death of a player may be withdrawn by the estate of the player, a trust established by the player or other heirs or devisees of the player, in accord with the procedures established by the financial institution holding the account for the withdrawal of amounts held in the account of a decedent.

Statutory/Other Authority: OR Const, Art. XV, § 4(4)(a), ORS 461.120, 183.325, 183.335, 461.120, 461.130, 461.150, 461.250, 461.260, 461.400, 461.440, OAR 177-010-0025

RULE SUMMARY: The Lottery is amending OAR 177-046-0155 about responsible gaming to reflect the responsible gaming features that will be available to players in the DraftKings Sportsbook digital player account.

CHANGES TO RULE:

177-046-0155
Responsible Gaming

(1) General: The Lottery shall comply with the Responsible Gambling Code of Practices Act. The Lottery will support players in positive play behaviors as outlined in the Lottery’s Responsible Gambling Code of Practice by providing responsible gaming features within games and may offer additional outreach and messaging to players from time to time.

(2) Self-imposed Limits: When a person creates a player account, they must establish a personal deposit limit. Additional self-imposed limits and temporary or permanent self-exclusion may be selected by the player within the player account. When such limits are effective, neither the player nor the Lottery can override them. Gaming limits such as deposit, bet, or time limits or any person may self-exclude from the ability to play games through their player account.

Statutory/Other Authority: OR Const, Art. XV, § 4(4)(a), ORS 461.120, 183.325, 183.335, 461.120, 461.130, 461.150, 461.200, OAR 177-010-0025
Statutes/Other Implemented: OR Const, Art. XV, § 4(4), ORS 461.120, 461.800 to 461.820, ORS 183.325, 183.335, 461.120, 461.130, 461.150, 461.8200, OAR 177-010-0025
ADOPT: 177-092-0005

RULE SUMMARY: The Lottery is adopting OAR 177-092-0005 to give notice to Scoreboard players that play will be disabled on the Scoreboard website and mobile app when the DraftKings platforms goes live. At that time, although play will be disabled, players will still be able to access their player accounts and associated funding accounts. The Lottery encourages players to actively monitor and manage their accounts and any funds held therein pursuant to the terms the player agreed to when the accounts were created.

CHANGES TO RULE:

177-092-0005
Scoreboard To Be Disabled and Status of Player Accounts
(1) In December 2021, the Oregon State Lottery, pursuant to direction from the Oregon State Lottery Commission, will contract with DraftKings to provide the digital platform (site and mobile app) through which players can play the Lottery's digital sports betting game.¶
(2) Until the DraftKings mobile app or site is launched, the Lottery's digital sports betting game will be available to players on the Scoreboard platform. The player account and game play will be subject to the administrative rules in OAR chapter 177, divisions 46 and 92, as adopted on March 29, 2020, and any terms the player agreed to at account creation. These are available upon request to the Lottery.¶
(3) When the Lottery's digital sports betting game becomes available through the DraftKings mobile app or site, the Lottery will disable game play on the Scoreboard website and mobile app. Although new bets may not be placed, confirmed bets on future sporting events will stand. The Lottery will deposit any future prizes or other money owed to players in the player's funding account accessed and managed through Scoreboard and subject to the administrative rules in OAR chapter 177, divisions 46 and 92, as adopted on March 29, 2020, and any terms the player agreed to at account creation. These are available upon request to the Lottery.

Statutory/Other Authority: Or Const, Art XV, § 4(4)(a), ORS 183.325, 183.335, 461.120, 461.130, 461.150, 461.200, 461.210, 461.250, 461.260, 461.400, 461.440, OAR 177-010-0025
ADOPT: 177-093-0000

RULE SUMMARY: The Lottery is adopting OAR 177-093-0000 to explain the purpose of the rules in division 093 of OAR chapter 177. Specifically, the rules in this division lay out all applicable requirements (in addition to other requirements that may apply in other divisions) for the digital sports betting game that will be offered on the DraftKings website and mobile application.

CHANGES TO RULE:

177-093-0000

Purpose

These rules establish the DraftKings Sportsbook Official Provider of the Oregon Lottery as a sports betting game authorized by the Oregon State Lottery Commission. The rules describe the type of game, how the game works, how players can purchase a share and place bets, and how the Lottery determines winners and pays prizes.


ADOPT: 177-093-0005

RULE SUMMARY: The Lottery is adopting OAR 177-093-0005 to define terms for use in rules in division 093 of OAR chapter 177.

CHANGES TO RULE:

177-093-0005 Definitions

Unless the context indicates otherwise, the following terms are defined for use in OAR chapter 177, division 093:

1. "Bet" or "wager" means the amount of money paid by a player for a share and risked on a particular outcome of a sporting event or occurrence within or related to a sporting event. A bet may be one of a variety of types including, but not limited to, moneyline, spread, total, or parlay. Available bets are determined by the Lottery and displayed to players within the mobile app or site.

2. "Bonus" has the meaning given in OAR 177-046-0015.

3. "Confirmed" means a bet was placed by a player, the Lottery accepted the bet, the bet amount was successfully debited from the player balance, the bet was recorded by the Lottery, and the player received a bet identification number or similar confirmation number.

4. "Decimal odds" means a way of representing the amount returned on a winning wager using a baseline of $1, including the return of the amount wagered. For example, a $1 wager with 1.50 odds returns $1.50 including the original wager and a $1 wager with 4.25 odds returns $4.25 including the original wager.

5. "Digitally" has the meaning given in OAR 177-046-0015.

6. "DraftKings" means DraftKings Inc, a Delaware corporation, and its affiliates, which are those legal entities that control, are controlled by, or are under common control with DraftKings Inc., where "control" means the possession of the power to direct or cause the direction of the management or policies of such legal entity, whether through the ownership of voting securities, by reason of management authority, by contract, or otherwise. Without limiting the foregoing, Crown OR Gaming LLC, is the affiliate of DraftKings who is a service provider to the Oregon State Lottery that assists in offering the DraftKings Sportsbook.

7. "DraftKings Sportsbook" means the DraftKings Sportsbook Official Provider of the Oregon Lottery, the sports betting game of chance authorized by the Oregon State Lottery Commission and offered and operated by the Oregon State Lottery in which eligible players purchase shares to risk on the outcome of sporting events for a chance to win a prize.

8. "Duplicative bet" or "identical bet" means a wager placed on the outcome of the same event with the same odds as a wager previously placed by a player.

9. "Eligible player" means a person who is eligible to play sports betting games pursuant to OAR 177-093-0015.

10. "Funds balance" has the meaning given in OAR 177-046-0015.

11. "Governing body" means a recognized organization that has regulatory or sanctioning authority or control over a particular sport.

12. "In-game rules" means the DraftKings Sportsbook House Rules that describe general sports betting and market and sport-specific rules and information. The "in-game rules" are available to players on the mobile app or site and are incorporated into the terms of use. Such in-game rules, as amended from time to time, govern the players and the sports betting games offered on the mobile app or site.

13. "Mobile app" has the meaning given in OAR 177-046-0015.

14. "Official event results" means the results of a sporting event that the Lottery determines will be used to determine winning bets as described in OAR 177-093-0030.

15. "Payout" means the prize that may be received by a player for a winning bet. Payouts are offered and can vary from one player to another.

16. "Player account" has the meaning given in OAR 177-046-0015.

17. "Player balance" has the meaning given in OAR 177-046-0015.

18. "Prize" has the meaning given in OAR 177-010-0003.

19. "Share" has the meaning given in OAR 177-010-0003.

20. "Site" has the meaning given in OAR 177-046-0015.

21. "Sporting event" means a game, match, race, or similar competitive event associated with a governing body in its entirety or a particular event or occurrence within or related to the game, match, race, or similar competitive event such as, but not limited to, a particular play or score.

22. "Sports betting game" has the meaning given in ORS 461.010.

23. "Terms and conditions" has the meaning given in OAR 177-046-0015.

24. "Terms of use" has the meaning given in OAR 177-046-0015.

ADVERT: 177-093-0010

RULE SUMMARY: The Lottery is adopting OAR 177-093-0010 to describe the type of game being authorized and offered through the DraftKings platforms. Specifically, it is a sports betting game that is offered and played digitally on the DraftKings mobile app and site. The game is authorized by the Commission, pursuant to the rules in this division, as well as other applicable rules, terms of use, and terms and conditions.

CHANGES TO RULE:

177-093-0010
General Game Description

1) The DraftKings Sportsbook is a sports betting game authorized by the Oregon State Lottery Commission that allows eligible players to purchase shares and place bets on sporting events digitally. To purchase a share, an eligible player places a bet on a sporting event. The odds and payout associated with each bet amount are disclosed to the player before the bet is placed. The Lottery determines winning bets based on the official event results.¶

2) The Oregon State Lottery Commission has authorized the digital sports betting game described in these rules. The Oregon State Lottery may authorize DraftKings to conduct any of the activities described in these rules, but such actions are done on behalf of the Oregon State Lottery and must comply with these rules and the terms of use.¶

(3) In addition to this division of rules, this sports betting game is subject to other applicable Lottery rules in OAR chapter 177. In the event of a conflict, the rules in this division of rules supersede the general rules.¶

4) The DraftKings Sportsbook is governed by additional terms of use, terms and conditions, and in-game rules on betting and pertaining to particular sporting events. These are available to players on the mobile app or site and upon request from the Lottery.

Statutory/Other Authority: Or Const, Art XV, 4(4)(a), ORS 183.325, 183.335, 461.120, 461.130, 461.150, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.400, 461.440, OAR 177-010-0025

ADOPT: 177-093-0015

RULE SUMMARY: The Lottery is adopting OAR 177-093-0015 to establish the eligibility requirements to play the DraftKings Sportsbook Official Provider of the Oregon State Lottery. Specifically, to be eligible, a person must be at least 21 years of age; successfully establish a personal digital player account on the mobile app or site, as provided in these and other Lottery rules; and not be a person who is otherwise prohibited from playing Lottery games in general or DraftKings Sportsbook games in particular.

CHANGES TO RULE:

177-093-0015
Eligibility
To be eligible to purchase a share and win a prize in the DraftKings Sportsbook sports betting game, an individual must meet all the following requirements:

1. Age Restricted. An individual must be 21 years of age or older.
2. Player Account and Agreement Required. An individual must successfully establish a personal digital player account on the DraftKings Sportsbook mobile app or site as described in OAR 177-046-0022. Upon creation of the player account, the player shall agree to and comply with the terms of use and terms and conditions provided to the player on the mobile app or site. This includes any terms of use presented to the individual by the entity holding the player account, including, but not limited to, terms relating to the flow of funds through the player account. The continued use of the player account on the mobile app or site constitutes the player’s consent to all applicable terms of use and terms and conditions, as they are amended from time to time, which are available to players and the public on the mobile app or site or upon request to the Lottery.
3. Certain Persons Prohibited. A person must not be prohibited by law, contract, policy, administrative rule, or terms of use from playing Lottery games. This includes, but is not limited to:
   a. Commissioners and all Lottery employees (including the Director and any Assistant Directors) and any spouse, child, brother, sister, or parent of such persons as provided in ORS 461.250; and
   b. Employees of DraftKings or immediate family members of such persons as provided in the terms of use.


ADOPT: 177-093-0020

RULE SUMMARY: The Lottery is adopting OAR 177-093-0020 to explain all requirements and limitations relating to placing a valid bet in the Lottery’s digital sports betting game.

CHANGES TO RULE:

177-093-0020
Purchasing a Share and Placing a Bet
(1) To purchase a share, an eligible player must first deposit money into a valid player account on the mobile app or site. The funds in the player account can then be used (in addition to bonus funds, when applicable) to purchase shares by placing a bet on a sporting event through the mobile app or site.
(2) The odds and payout associated with each bet are determined by the Lottery and must be digitally displayed to the player on the bet slip before the bet is confirmed.
(3) The Lottery only accepts bets placed digitally.
(4) A bet may only be placed when the player is physically located within the geographic boundary of the state of Oregon and not on tribal lands.
   (a) The Lottery must be able to verify the physical location of the player when the bet is placed. Players must consent to the Lottery’s use of geolocation technologies as described in OAR 177-046-0022.
   (b) The Lottery will use official, publicly available data sources to geolocate tribal lands and prohibit mobile gaming therein. For purposes of this rule, “tribal lands” means federal Indian reservations, lands held in trust by the federal government for the benefit of federally recognized tribes, and lands held in fee by federally recognized tribes.
(5) The Lottery may, from time to time, offer bonuses, which include, but are not limited to, free bets, credits, and similar promotional incentives. These appear in the player balance and may be used to place bets but have no cash value and are not eligible for withdrawal. Each bonus or promotional offer is subject to terms and conditions or limitations that will be disclosed to players on the mobile app or site such as, but not limited to, deadlines for use and the requirement to use the full amount of the bonus in a single transaction or forfeit the unused portion. Players must comply with any additional terms and conditions or requirements to be eligible to use bonuses, free bets, and similar promotional incentives.
(6) Bets may only be placed on sporting events associated with a recognized governing body. The Lottery determines available bets at any given time at the Lottery’s sole discretion. Available bets are displayed to players on the mobile app or site. The Lottery may refuse a bet at any time for any reason.
(7) A bet is not valid until it is confirmed. Once confirmed, a bet cannot be cancelled or changed by the player. It is the sole responsibility of the player to verify the accuracy of the bet prior to confirmation. The Lottery is not responsible for any bet placed in error.
(8) Duplicative or identical bets are prohibited.
(9) Disputes regarding player eligibility, the amount of a bet, the time a bet was placed, odds on a particular bet, whether a bet is valid or a winning bet, and the amount of any prize are resolved at the sole discretion of the Director of the Oregon State Lottery or the Director’s designee.

Statutory/Other Authority: Or Const, Art XV, § 4(4)(a), ORS 183.325, 183.335, 461.120, 461.130, 461.150, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, OAR 177-010-0025
ADOPT: 177-093-0025

RULE SUMMARY: The Lottery is adopting OAR 177-093-0025 to specify the price to purchase a share in the DraftKings Sportsbook. Unlike in more traditional Lottery games, the sales price for a chance to win a prize is not fixed, but rather, is up to the discretion of the player subject to certain limitations.

CHANGES TO RULE:

177-093-0025

Price
The price to purchase a share in the Lottery's digital sports betting game is the amount the player chooses to bet subject to all of the following limitations:

1. In order to responsibly manage funds for the public purpose, the Lottery reserves the right to impose minimum and maximum limits on the bet amount or prize amount at any given time based on the sport, odds, risk, and related factors. This will be communicated to the player when the player attempts to place a bet at a certain amount or for a certain prize payout that the Lottery will not accept.

2. The bet amount may not exceed the player balance; under no circumstances will the Lottery extend credit to a player. The player balance may be further limited by DraftKings or any financial institution or payment processor involved in a transaction.

3. The player may establish personal limits using the responsible gaming tools in the player account. When in effect, the player may not bet above the personal limit.

Statutory/Other Authority: Or Const, Art XV, 4(4)(a), ORS 183.325, 183.335, 461.120, 461.130, 461.150, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, OAR 177-010-0025

ADOPT: 177-093-0030

RULE SUMMARY: The Lottery is adopting OAR 177-093-0030 to establish a system for verifying the validity of shares that are purchased and risked by players on the outcome of sporting events. The rule provides that, first, the bet itself must be valid, meaning it was placed in accordance with any applicable rules and, second, the outcome of the sporting event must accord with the outcome on which the player risked their shares.

CHANGES TO RULE:

177-093-0030
Method for Validating Bets and Determining Winners
An eligible player wins a prize by placing a confirmed and validated winning bet:
(1) A bet is valid if the bet was placed in accordance with OAR 177-093-0020 and other applicable rules by an eligible player through a valid player account, the bet was confirmed, and the bet is not otherwise voided or refunded by the Lottery pursuant to any applicable rule or the terms and conditions. Lottery decisions regarding the validity of a bet are final and binding.
(2) A validated bet is a winning bet if the outcome on which the shares were risked accords with the official event results as provided in this section and the in-game rules. The Lottery has the sole discretion to determine winning bets based on the official event results.
(a) The Lottery reserves the right to delay entering official event results when needed to review information relevant to the outcome of the sporting event. The Lottery will generally defer to the governing body for official event results as described in the in-game rules, but the Lottery retains ultimate discretion to determine winners and pay prizes.
(b) If a sporting event is cancelled, suspended, abandoned, or interrupted or the Lottery is for any reason unable to determine the outcome of a sporting event or particular occurrence within a sporting event on which bets were placed, then related bets may be voided at the Lottery's sole discretion as provided in OAR 177-093-0045 and the in-game rules for the sporting event.

Statutory/Other Authority: Or Const, Art XV, §4(4)(a), ORS 183.325, 183.335, 461.120, 461.130, 461.150, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, OAR 177-010-0025
ADOPT: 177-093-0035

RULE SUMMARY: The Lottery is adopting OAR 177-093-0035 to authorize prize pools, which are pools in which prizes are distributed based on the outcome of a sporting event, but the prize amount is not tied to a specific bet, but rather depends on the number of players in the pool and number of winners.

CHANGES TO RULE:

177-093-0035

Pools

(1) General: Pools are a fixed price point form of betting where bets are placed against other bettors who have entered the same event. A player must pay an entrance fee if required for that pool as outlined in the in-game rules. There are many types of pools, including, but not limited to, squares, brackets, and survivors. Pools are offered at the discretion of Lottery on the mobile site or app.¶

(2) Prizes: The prize amount depends on the number of other players in the pool and the number of winners. There are different structures for prizes within each type of pool such as guaranteed, parimutuel with rollovers, and parimutuel guaranteed.

Statutory/Other Authority: Or Const, Art XV, § 4(4)(a), ORS 183.325, 183.335, 461.120, 461.130, 461.150, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, OAR 177-010-0025

ADOPT: 177-093-0040

RULE SUMMARY: The Lottery is adopting OAR 177-093-0040 to describe the prizes available in the Lottery's digital sports betting game. Unlike more traditional lottery games, the number and value of prizes is not predetermined, but the Lottery discloses the possible prize amount ("payout") on each bet to the player before the player risks any shares. The rule explains that the actual prize amount may vary from what was originally disclosed such as in the case of a tie or when a player selects the "Cash Out" feature. The rule also states that general prize payment provisions in other Lottery rules apply to prizes in the Lottery's digital sports betting game, including, but not limited to, requiring certain disclosures to allow the Lottery to conduct certain debt checks that are required by law and to withhold and report state and federal taxes when applicable and as required by law.

CHANGES TO RULE:

177-093-0040

Prizes

(1) The number and value of prizes for the DraftKings Sportsbook sports betting game is not predetermined by the Lottery. The overall prize percentage payout will vary over time due to the outcome of events offered and selections made by players.¶

(2) The Lottery shall digitally display the possible payout amount for any winning bet to the player on the bet slip before the bet is confirmed. The payout is based on the amount of the bet selected by the player and the odds associated with the bet.¶

(a) The Lottery calculates the payout using decimal odds even if the player has selected to display odds in an alternative format.¶

(b) The actual payout to a player may differ from the amount displayed to the player prior to bet confirmation in the case of ties, draws, or pushes. This occurrence depends on the specific terms of the bet, is at Lottery's discretion, and is provided for in the in-game rules.¶

(c) Some bets may, from time to time, display an option to settle a confirmed bet early for a portion of the original payout amount associated with the bet. This feature is known as "Cash Out" or "Bet Back" and is available only at the Lottery's sole discretion on some bets at some times. When a player chooses this option, the player will receive the payout offered rather than the payout originally displayed on the bet slip.¶

(3) A prize on a winning bet in the Lottery's digital sports betting game is subject to OAR 177-046-0110, which establishes the Lottery's general prize claim, validation, and payment framework and describes certain limitations and requirements that apply when a prize is claimed, validated, and paid digitally through a DraftKings Sportsbook player account. This includes, but is not limited to, subsections (1)(i) (requiring certain personal disclosures when applicable) and (1)(j) (requiring deductions from prize for taxes and debt offsets when required by law). A player may withdraw a prize (or other moneys in the player account) as provided in OAR 177-046-0027 and the terms of use.¶

(4) A player forfeits a prize if, even after a bet is settled, the Lottery determines the bet was void, refunded, resettled, or otherwise invalid pursuant to these rules, the terms of use, the terms and conditions, or the in-game rules. In such case, the player is not entitled to the payout and the Lottery may recover previously paid payouts from the player account.


ADOPT: 177-093-0045

RULE SUMMARY: The Lottery is adopting OAR 177-093-0045 to explain when the Lottery may void, refund, or resettle bets and the status of prizes in such cases.

CHANGE TO RULE:

177-093-0045

Voided Bets, Refunds, and Resettlements

(1) In order to maintain the fairness, integrity, security, and honesty of the Lottery and its operations, the Lottery reserves the right to void any share or bet at any time for any reason, even after the bet has been settled, including but not limited to, when:

(a) The Lottery knows or has reason to believe that the player has engaged in conduct prohibited by any applicable source of law, including but not limited to conduct prohibited by OAR 177-046-0022 or 177-093-0050;

(b) The Lottery knows or has reason to believe that the player does not meet all of the eligibility requirements in OAR 177-046-0022 or 177-093-0015, or the Lottery is unable to verify any of the information that the player provided in order to establish the player account;

(c) The Lottery knows or has reason to believe that the bet was not placed in accordance with all of the requirements of OAR 177-093-0020;

(d) The Lottery knows or has reason to believe the underlying integrity of the sporting event is in question. This includes, but is not limited to, when the Lottery believes a sporting event has been fixed or an individual who placed the bet was in any way involved in the sporting event such as, but not limited to, as a participant (professional or amateur athlete), sports agent, team owner, team employee, league official, referee, coach or similar associated individual or the individual who placed the bet is an immediate family member of such involved or associated person;

(e) The bet was accepted when the account did not have sufficient funds to cover the original bet amount; or

(f) As provided in the terms and conditions, terms of use, or in-game rules.

(2) A player may not initiate a refund on a confirmed bet for any reason.

(3) The Lottery has discretion to issue a refund to players on a confirmed bet only in the following circumstances:

(a) The Lottery has voided a bet under section (1) of this rule.

(b) The Lottery is unable to satisfactorily determine official event results because the sporting event was not held, meaning the sporting event was cancelled or abandoned before completion for reasons including, but not limited to, player illness or inclement weather.

(c) The Lottery has reason to believe the bet was accepted, placed, or confirmed after the advertised start time (except for an in-game bet), the outcome of the sporting event is known, or a material advantage had been achieved, such as, but not limited to, scoring a goal or touchdown or expulsion of an athlete.

(d) The integrity of the sporting event itself is uncertain, such as, but not limited to, suspected cheating or athlete use of prohibited performance-enhancing drugs.

(e) The game resulted in a circumstance that warrants refund in the in-game rules.

(f) When otherwise provided for in the terms of use or in-game rules.

(g) At the discretion of the Lottery for any other reason.

(4) Resettlements: From time to time, operator errors may occur or the governing body may overturn a call or change the final results or score of a sporting event:

(a) Operator error. A player is not entitled to a prize paid in error. The Lottery may recover any such prizes.

(b) Change in official event results. If the governing body changes a sporting event result before making the result official, the Lottery may resettle bets to align with the results of the governing body. However, once the governing body makes final results official and the Lottery accepts them as the official event results, the Lottery shall not recognize any changes to the final score or particular calls within the sporting event.

(5) Prize Forfeiture: As stated in OAR 177-093-0040, a player forfeits their prize when the Lottery voids, invalidates, refunds, or resettles a bet.

Statutory/Other Authority: Or Const, Art XV, §4(4)(a), ORS 183.325, 183.335, 461.120, 461.130, 461.150, 461.190, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, OAR 177-010-0025

ADOPT: 177-093-0050

RULE SUMMARY: The Lottery is adopting OAR 177-093-0050 to explain various types of conduct that is prohibited in Lottery's digital sports betting game and the rights of the Lottery when prohibited conduct occurs or is suspected to have occurred.

CHANGES TO RULE:

177-093-0050

Prohibited Conduct

(1) The Lottery has determined that the following conduct negatively impacts the Lottery's constitutional mandate to ensure the fairness, integrity, security, and honesty of the Lottery. Therefore, the following conduct is prohibited:

(a) Conduct that is prohibited in relation to the player account in OAR 177-046-0022;
(b) Conduct that is prohibited by the terms of use that a player has agreed to;
(c) Conduct that is prohibited by the terms and conditions that a player has agreed to;
(d) Conduct that is prohibited by these rules or other applicable rule or law;
(e) Using unfair external factors or influences on the game outcome;
(f) Using software, bots, or other automatic software to manipulate game results or the mobile app or site; and
(g) Placing duplicative or identical bets.

(2) In order to maintain the fairness, integrity, security, and honesty of the Lottery and its operations, the Lottery may close or suspend a player account and will not pay prizes on such shares or bets if the Lottery has any reason to believe that a player has engaged in prohibited conduct described in section (1) of this rule or the integrity of the underlying sporting event has been compromised.

(3) When the Lottery suspects or knows prohibited conduct has occurred or is occurring, the Lottery may inform and share information as the Lottery determines to be appropriate with relevant authorities and third parties including, but not limited to, vendors, law enforcement, governing bodies, credit card companies, and financial institutions.


ADOPT: 177-093-0055

RULE SUMMARY: The Lottery is adopting OAR 177-093-0055 to explain how disputes are resolved in the Lottery's digital sports betting game.

CHANGES TO RULE:

177-093-0055
Disputes and Decisions of the Director
(1) Generally, the transaction log database maintained by DraftKings on behalf of the Lottery is the ultimate authority when resolving disputes about whether (or not) a transaction occurred and the details thereof.

(2) An individual who has a complaint or dispute or believes their money or prize has been misallocated, compromised, mishandled, or otherwise unlawfully or improperly withheld or revoked may register a complaint with the Director's designee by e-mailing support@draftkings.com or in writing to 222 Berkeley Street, 5th Floor, Boston, Massachusetts 02116.

(3) If the designee's resolution under section (2) of this rule is not satisfactory, the individual may escalate the complaint to the Director of the Oregon State Lottery or the Director's designee for a decision pursuant to OAR 177-046-0160. As stated in OAR 177-046-0160, the decisions of the Lottery Director are final. This includes, but is not limited to, the amount or nature of a prize, the validity of a bet, whether a bet is a winner, whether it was submitted in error or by fraud, and whether a player has won a prize.

Statutory/Other Authority: Or Const, Art XV, § 4(4)(a), ORS 183.325, 183.335, 461.120, 461.130, 461.150, 461.190, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, OAR 177-010-0025

The Lottery submitted the following list of principal documents relied upon when the Lottery filed the Temporary Administrative Order. However, due to a technical error with the Secretary of State online rule filing system, the receipt copy does not display this information, so it is provided here for compliance with ORS 183.335(5)(d):

The following are the principal documents, reports, or studies prepared by the Lottery or relied on by the Lottery in considering the need for and in preparing the rules, and a statement of the location at which those documents are available for public inspection:

• February 26, 2021 Director’s Report presented at the public meeting of the Oregon State Lottery Commission re notice that SBTech was purchased by DraftKings and notice that Lottery was considering contracting with DraftKings to transition Scoreboard off the SBTech platform and onto the DraftKings platform. The report is available upon request to the Lottery. See also audio recording of the 2/26/21 Commission meeting and meeting minutes available at https://www.oregonlottery.org/about/how-we-operate/commission-and-director-info/.

• Oregon State Lottery Commission meeting agendas available at the URL provided or upon request to Lottery:
  o August 26, 2021 available at https://www.oregonlottery.org/about/how-we-operate/commission-meeting-august-26-2021/.


• Oregon State Lottery Terms and Conditions for DraftKings Sportsbook; currently being reviewed and revised but available upon request.

• Oregon State Lottery Privacy Policy; current version is available at https://www.oregonlottery.org/about/legal/; currently being reviewed and revised to apply to new platforms; available upon request to the Lottery.

• PERS Employer Incentive Fund information available at https://www.oregon.gov/pers/EMP/Pages/Employer-Incentive-Fund.aspx.

• SB 5533 (2021), appropriates Lottery revenue from the DAS Economic Development Fund to various beneficiaries, including sports betting revenue. See also HB 5006 and SB 846 and SB 5536. All bills are from the 2021 Regular Session and are available at https://olis.oregonlegislature.gov/liz/2021R1/2021-01-11 or upon request to the Lottery.

• Article XV, section 4, of the Oregon Constitution available at https://www.oregonlegislature.gov/bills_laws/Pages/OrConst.aspx.
• OAR chapter 177 available at https://secure.sos.state.or.us/oard/displayChapterRules.action?selectedChapter=153.
• September 2021, the most recent Office of Economic Analysis revenue forecast; see Table B.9 for sports betting revenue projections, available at https://www.oregon.gov/das/OEA/Documents/forecast0921.pdf.