

3/9/05

# Regulatory Analysis Form

This space for use by IRRC

(1) Agency

Revenue

2005 MAY 19 AM 11:15

REVIEW COMMISSION

(2) I.D. Number (Governor's Office Use)

15-428

IRRC Number: 2483

(3) Short Title

Raffle Lottery Games

(4) PA Code Cite

61 Pa. Code §§ 874.1 – 874.17

(5) Agency Contacts & Telephone Numbers

Primary Contact: Mary R. Sprunk (717) 783-7524

Secondary Contact: Douglas A. Berguson (717) 346-4633

(6) Type of Rulemaking (check one)

- Proposed Rulemaking  
 Final Order Adopting Regulation  
 Final Order, Proposed Rulemaking Omitted

(7) Is a 120-Day Emergency Certification Attached?

- No  
 Yes: By the Attorney General  
 Yes: By the Governor

(8) Briefly explain the regulation in clear and nontechnical language.

The addition of Chapter 874 establishes procedures for the creation of on-line raffle lottery games, sales of tickets, validation of winners, and payment of prizes for on-line raffle lottery games conducted by the Pennsylvania State Lottery.

A Raffle Lottery Game is a lottery game that is of limited duration, having pre-established and announced beginning, end sale, and drawing date. A limited number of tickets or chances, each unique from all others, will be offered for the opportunity to win one of a number of pre-determined and announced prizes. Prior to the commencement of sales of a raffle lottery game, the Department will publish a notice in the *Pennsylvania Bulletin* with information as outlined in the new Chapter 874 regulations.

(9) State the statutory authority for the regulation and any relevant state or federal court decisions.

Statutory authority for the regulation is set forth in section 303 of the State Lottery Law (72 P.S. § 3761-303).

## **Regulatory Analysis Form**

(10) Is the regulation mandated by any federal or state law or court order, or federal regulation? If yes, cite the specific law, case or regulation, and any deadlines for action.

The regulation is not mandated by federal or state law, court order or federal regulation.

(11) Explain the compelling public interest that justifies the regulation. What is the problem it addresses?

The regulation establishes and details the procedures that will be followed in operating and administering the Raffle Lottery Games.

(12) State the public health, safety, environmental or general welfare risks associated with nonregulation.

There are no public health, safety, environmental or general welfare risks associated with nonregulation.

(13) Describe who will benefit from the regulation. (Quantify the benefits as completely as possible and approximate the number of people who will benefit.)

Programs benefiting older Pennsylvanians will benefit as a result of Lottery sales.

## Regulatory Analysis Form

(14) Describe who will be adversely affected by the regulation. (Quantify the adverse effects as completely as possible and approximate the number of people who will be adversely affected.)

No parties should be adversely affected by the regulation.

(15) List the persons, groups or entities that will be required to comply with the regulation. (Approximate the number of people who will be required to comply.)

All players of Raffle Lottery Games and all on-line retailers will be required to comply with the regulation.

(16) Describe the communications with and input from the public in the development and drafting of the regulation. List the persons and/or groups who were involved, if applicable.

A copy of the regulation was forwarded to the Pennsylvania Bar Association; the Pennsylvania Institute of Certified Public Accountants; the Pennsylvania Society of Public Accountants and the Pennsylvania Chamber of Business and Industry. The regulation will be listed in the Department's 2<sup>nd</sup> Quarter, 2005 Regulatory Report posted on the Department's website and will be forwarded to interested parties upon request.

(17) Provide a specific estimate of the costs and/or savings to the regulated community associated with compliance, including any legal, accounting or consulting procedures which may be required.

There are no costs and/or savings to the regulated community associated with this regulation.

## **Regulatory Analysis Form**

(18) Provide a specific estimate of the costs and/or savings to local governments associated with compliance, including any legal, accounting or consulting procedures which may be required.

This regulation does not increase costs or savings to local governments. No legal, accounting or consultant procedures are required by the regulation.

(19) Provide a specific estimate of the costs and/or savings to state government associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required.

This regulation does not increase costs or savings to state government by a significant amount.

## Regulatory Analysis Form

(20) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

	Current FY Year	FY +1 Year	FY +2 Year	FY +3 Year	FY +4 Year	FY +5 Year
<b>SAVINGS:</b>	\$	\$	\$	\$	\$	\$
<b>Regulated Community</b>						
<b>Local Government</b>						
<b>State Government</b>						
<b>Total Savings</b>						
<b>COSTS:</b>						
<b>Regulated Community</b>						
<b>Local Government</b>						
<b>State Government</b>						
<b>Total Costs</b>						
<b>REVENUE LOSSES:</b>						
<b>Regulated Community</b>						
<b>Local Government</b>						
<b>State Government</b>						
<b>Total Revenue Losses</b>						

(20a) Explain how the cost estimates listed above were derived.

The savings from implementing this regulation are insignificant. The costs of implementing this regulation are minimal.

## Regulatory Analysis Form

(20b) Provide the past three year expenditure history for programs affected by the regulation.

Program	FY -3	FY -2	FY -1	Current FY
Lottery <sup>1/</sup>	\$800,417	\$859,278	\$814,844	\$841,452

1/ These amounts represent monies expended from the Lottery Fund to programs to benefit older Pennsylvanians.

(21) Using the cost-benefit information provided above, explain how the benefits of the regulation outweigh the adverse effects and costs.

The costs associated with this regulation are minimal. The regulation is needed for operational enhancements to the games offered by the Pennsylvania Lottery.

(22) Describe the nonregulatory alternatives considered and the costs associated with those alternatives. Provide the reasons for their dismissal.

There are no nonregulatory alternatives associated with the regulation.

(23) Describe alternative regulatory schemes considered and the costs associated with those schemes. Provide the reasons for their dismissal.

There are no alternative regulatory schemes associated with the regulation.

## Regulatory Analysis Form

(24) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulation.

There are no federal standards associated with this regulation.

(25) How does this regulation compare with those of other states? Will the regulation put Pennsylvania at a competitive disadvantage with other states?

This regulation relates to the creation of an on-line lottery game and is consistent with Pennsylvania's other on-line game regulations. The regulation will not put Pennsylvania at a competitive disadvantage with other states.

(26) Will the regulation affect existing or proposed regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

This regulation does not affect any other existing or proposed regulations of the Department or any other state agency.

(27) Will any public hearings or informational meetings be scheduled? Please provide the dates, times, and locations, if available.

The Department has not scheduled any public hearings or informational meetings to discuss the regulation.

## Regulatory Analysis Form

(28) Will the regulation change existing reporting, record keeping, or other paperwork requirements? Describe the changes and attach copies of forms or reports which will be required as a result of implementation, if available.

This regulation does not change existing reporting, record keeping or other paperwork requirements.

(29) Please list any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, elderly, small businesses, and farmers.

No special groups are affected by the regulation.

(30) What is the anticipated effective date of the regulation; the date by which compliance with the regulation will be required; and the date by which any required permits, licenses or other approvals must be obtained?

This regulation will be effective upon final publication in the Pennsylvania Bulletin. There are no permits, licenses or other approvals required by the regulation.

(31) Provide the schedule for continual review of the regulation.

This regulation is scheduled for review within five years of final publication. No sunset date has been assigned.



CDL-1


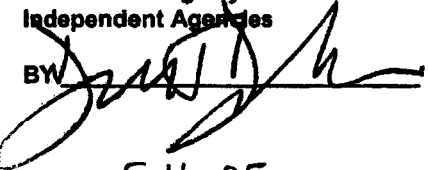
**FACE SHEET  
FOR FILING DOCUMENTS  
WITH THE LEGISLATIVE REFERENCE BUREAU**

**(Pursuant to Commonwealth Documents Law)**

3/9/05

RECEIVED  
2005 MAY 19 11:15

DO NOT WRITE IN THIS SPACE

<p>Copy below is hereby approved as to form and legality. Attorney General</p> <p>By: _____ (Deputy Attorney General)</p>	<p>Copy below is hereby certified to be true and correct copy of a document issued, prescribed or promulgated by:</p> <p>PA Department of Revenue (AGENCY)</p> <p>DOCUMENT/FISCAL NOTE NO. <u>15-428</u></p> <p>DATE OF ADOPTION _____</p> <p>BY <u></u> Gregory C. Fajt TITLE <u>Secretary of Revenue</u> (Executive Officer, Chairman or Secretary)</p>	<p>Copy below is hereby approved as to form and legality. Executive or Independent Agencies</p> <p>BY <u></u></p> <p><u>5.16.05</u> DATE OF APPROVAL EXECUTIVE (Deputy General Counsel) (<del>Chief Counsel-Independent Agency</del>) (<del>Strike inapplicable title</del>)</p> <p><input type="checkbox"/> Check if applicable. No Attorney General Approval or objection within 30 days after submission.</p>
<p>DATE OF APPROVAL</p> <p><input type="checkbox"/> Check if applicable Copy not approved. Objections attached.</p>		

NOTICE OF FINAL-OMITTED RULEMAKING

DEPARTMENT OF REVENUE

State Lotteries

61 Pa. Code §§ 874.1 -874.17

Raffle Lottery Games

## PREAMBLE

The Secretary of Revenue (Secretary), under the authority contained in section 303 of the State Lottery Law (72 P.S. § 3761-303), by this notice of proposed rulemaking omitted, adds Chapter 874. Raffle Lottery Games, sections 874.1 - 874.17.

Because of time constraints associated with the establishment, operation and administration of lottery games, the Department of Revenue (Department), under section 204 of the act of July 31, 1968 (P.L. 769, No. 240) (CDL) (45 P.S. § 1204) and the regulation thereunder, 1 Pa. Code § 7.4, finds that notice of proposed rulemaking is under the circumstances impracticable and, therefore, may be omitted.

The Department's justification for utilizing the proposed rulemaking omitted process is based upon the time constraints associated with the establishment, operation and administration of lottery games. The efficient and successful operation of the Lottery requires that the Lottery implement the latest innovations and trends in the lottery industry. The inability to adapt marketing strategies quickly may lead to a reduction in lottery revenues. The necessity of the Lottery to react quickly to market forces has been recognized in the past as an appropriate justification for utilizing the proposed rulemaking omitted process as evidenced by the approval of these types of regulations in the past.

### Purpose of Regulation

The regulation establishes and details the procedures that will be followed in operating and administering the Raffle Lottery Games.

### Explanation of Regulatory Requirements

The addition of Chapter 874 establishes procedures for the creation of on-line raffle lottery games, sales of tickets, validation of winners, and payment of prizes for on-line raffle lottery games conducted by the Pennsylvania State Lottery.

A Raffle Lottery Game is a Lottery game that is of limited duration, having pre-established and announced beginning, end sale, and drawing date. A limited number of tickets, each unique from all others, will be offered for the opportunity to win one of a number of pre-determined and announced prizes. Prior to the commencement of sales of a raffle lottery game, the Department will publish a notice in the *Pennsylvania Bulletin* with information as outlined in the new Chapter 874 regulations.

### Fiscal Impact

The Department of Revenue has determined that the regulations will have no adverse fiscal impact on the Commonwealth and that the game described by the regulations could increase revenues available to older Pennsylvanians.

### Paperwork

The regulations will not generate substantial paperwork for the public or the Commonwealth.

Effectiveness/Sunset Date

The regulations will become effective upon publication in the Pennsylvania Bulletin. The regulation is scheduled for review within five years of final publication. No sunset date has been assigned.

Contact Person

The contact person for an explanation of the regulations is Mary R. Sprunk, Office of Chief Counsel, PA Department of Revenue, Dept. 281061, Harrisburg, Pennsylvania 17128-1061.

Regulatory Review

Under section 5.1(c) of the Regulatory Review Act (71 P.S. § 745.5a(c)), on *May 19*, 2005, the Department submitted a copy of the regulations with proposed rulemaking omitted to the Independent Regulatory Review Commission (IRRC) and to the Chairpersons of the House Committee on Finance and the Senate Committee on Finance. On the same date, the regulations were submitted to the Office of Attorney General for review and approval under the Commonwealth Attorneys Act (71 P.S. §§ 732-101 - 732-506). In accordance with section 5.1(j.1) of the Regulatory Review Act (71 P.S. § 745.5a(j.1)), the regulations were (deemed) approved by the Committees on \_\_\_\_\_, 2005. IRRC met on \_\_\_\_\_

, 2005 and (deemed) approved the regulations under section 5.1(e) of the Regulatory Review Act (71 P.S. § 745.5a(e)).

### Findings

The Department finds that the regulations are necessary and appropriate for the administration and enforcement of the authorizing statute. Under section 204 of the CDL, the Department also finds that the proposed rulemaking procedures in sections 201 and 202 of the CDL (45 P.S. §§ 1201 and 1202) are unnecessary because of the time constraints associated with the establishment, operation and administration of lottery games.

### Order

The Department, acting under the authorizing statute, orders that:

(a) The regulations of the Department, 61 Pa. Code, are amended by adding Chapter 874. Raffle Lottery Games, sections 874.1 - 874.17 as set forth in Annex A.

(b) The Secretary shall submit this order and Annex A to the Office of General Counsel and Office of Attorney General for approval as to form and legality as required by law.

(c) The Secretary shall certify this order and Annex A and deposit them with the Legislative Reference Bureau as required by law.

(d) This order shall take effect upon publication in the Pennsylvania Bulletin.

GREGORY C. FAJT  
SECRETARY OF REVENUE

1/18/05

CONTINUATION SHEET  
FOR FILING DOCUMENTS  
WITH THE LEGISLATIVE REFERENCE BUREAU  
(Pursuant to Commonwealth Documents Law)

ANNEX A

Title 61. Revenue, Part V. State Lotteries, Chapter 874.  
Raffle Lottery Games.

§ 874.1. Creation.

Under the act and this part, there is created a raffle game, called Raffle Lottery Games, which will commence at the discretion of the Secretary, and will continue until the Secretary publicly announces a suspension or termination date.

§ 874.2. Purpose.

(a) A raffle lottery game is a lottery game that is of limited duration, having pre-established and announced beginning, end sale, and drawing dates. A limited number of tickets or chances, each unique from all others, will be offered for the opportunity to win one of a number of pre-determined and announced prizes.

(b) This chapter establishes procedures for the creation of on-line raffle lottery games, sales of tickets, validation of winners, and payment of prizes for on-line raffle lottery games conducted by the Pennsylvania State Lottery.

§ 874.3. Definitions. •

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Apparent winning ticket - A raffle lottery game ticket bearing a winning number, which has not yet been validated by the Lottery.

Chance - A unique multiple-digit number, computer-selected from the range of numbers designated for a raffle Lottery drawing, also known as a play.

Drawing - The process of selecting the winning number(s) that determine the winner(s) for each designated prize for a particular raffle game.

On-line retailer or retailer - A person who is properly licensed by the Lottery to sell tickets.

Prize - The item or money that can be won as specified by the notice for each raffle lottery game as published under § 874.4 (relating to notice of raffle lottery game rules).

Raffle Lottery game - A Lottery game for which a chance or play will be sold for a limited announced period of time, and in which a maximum designated number of chances or plays will be offered, and the winning chances or plays will be selected from only those chances or plays actually sold.



Ticket - A raffle Lottery ticket produced by the Lottery and sold by a licensed retailer in an authorized manner containing at a minimum a unique multiple-digit number constituting a single play or chance, the drawing date, and validation data.

Winning number - The unique multiple-digit number selected in a particular raffle Lottery game drawing, which has been subsequently validated by the Lottery, and which shall be used to determine the winning plays in that particular raffle Lottery game.

§ 874.4. Notice of raffle lottery game rules.

Prior to the commencement of sales of a raffle lottery game, the Department will publish a notice in the *Pennsylvania Bulletin* containing, at a minimum, the following information about the particular raffle game:

- (a) The name of the raffle lottery game.
- (b) The purchase price of a raffle lottery game chance or play.
- (c) The date after which sales of chances or plays can be made.
- (d) The date after which sales of chances or plays cannot be made.
- (e) The manner in which the selection of winning chances or plays will be made.

(f) The date and time for the selection of the winning chances or plays.

(g) The maximum odds of the game and prizes that can be won.

(h) The maximum number of chances or plays that can be sold in that raffle lottery game.

(i) The number and description of prizes available to be awarded in that raffle.

(j) The existence of a finalist, grand prize, second chance or other offering, if applicable, and the procedure for conducting the same, if applicable.

(k) The existence of retailer bonus programs, if any, and the rules for determining awards under the program.

(l) Other information necessary for the conduct of that lottery raffle game.

#### § 874.5. Price.

The Secretary in conformance with the law will prescribe the purchase price of a raffle Lottery game chance or play. The purchase price for each raffle chance or play shall be published in the notice provided by § 874.4 (relating to notice of raffle lottery game rules).

#### § 874.6. Ticket sales retailers.

(a) Raffle Lottery game ticket sales may only be made through licensed retailers the Director will appoint and

contract with as provided in § 815.42 (relating to ticket sales agents).

(b) The Lottery may terminate sales by a retailer without prior notice to the retailer if the retailer becomes delinquent in payment of proceeds due the Lottery, or fails to handle Lottery funds in the prescribed manner, or if the retailer fails to follow the contract or any addendum thereof, this part or procedures established governing the sale of tickets or if the Lottery deems it to be in the best interest of the Commonwealth.

§ 874.7. Determination of prize winning tickets.

(a) Raffle Lottery game prize winning chances or plays will be determined under this part and specific raffle lottery game notifications published in the *Pennsylvania Bulletin* under § 874.4 (relating to notice of raffle lottery game rules).

(b) A prize shall be paid only if the ticket meets the criteria established in § 874.10 (relating to ticket validation and requirements).

§ 874.8. Lottery raffle game purchase and ticket characteristics.

(a) To purchase a ticket, the players shall request an on-line retailer to issue a ticket. The ticket, at a minimum, will contain one chance or play which shall consist of one unique, computer-generated, multiple-digit number from the range of numbers published in the *Pennsylvania Bulletin* for that

particular raffle, the drawing date, amount bet, and validation data. The ticket shall be the only valid proof of the bet placed, and the only valid receipt for claiming a prize. The ticket shall only be valid for the drawing date printed on the ticket.

(b) A raffle Lottery game ticket may not be canceled or voided once printed by the Lottery terminal, even if the ticket is printed in error.

(c) It is the sole responsibility of the ticket holder to verify the accuracy and condition of data printed on the ticket. The placing of plays through the on-line retailer, who is acting on behalf of the player in entering the chance or plays, is done at the player's own risk.

§ 874.9. Raffle Ticket responsibility.

(a) A raffle Lottery game ticket is a bearer document deemed to be owned by the person holding the ticket, except that if a name is contained on the back of the ticket, the person so named will, for all purposes, be considered the owner of the ticket.

(b) The purchaser of a ticket has the sole responsibility for checking the accuracy and condition of the data printed on the ticket.

(c) The Commonwealth will not be responsible for a lost or stolen raffle lottery game ticket.

(d) The Commonwealth will not be responsible for a ticket redeemed by a player in error.

(e) A prize shall be claimed within 1 year of the date of the raffle for which the ticket was entered.

§ 874.10. Ticket validation and requirements.

(a) Valid tickets. To be a valid raffle lottery game ticket, the presented ticket shall meet the following conditions:

(1) The ticket validation numbers shall be present in their entirety and shall correspond, using the computer validation file, to the selected numbers printed on the ticket for the date printed on the ticket.

(2) The ticket shall be intact.

(3) The ticket may not be mutilated, altered, reconstituted or tampered with.

(4) The ticket may not be counterfeit or an exact duplicate of a winning ticket.

(5) The ticket shall have been issued by the Lottery through a licensed retailer.

(6) The ticket may not have been stolen.

(7) The ticket shall be validated in accordance with § 874.11 (relating to procedures for claiming and payment of prizes).

(8) The ticket data shall have been recorded on the Lottery's central computer system prior to the drawing and the ticket data shall match this computer record in every respect.

(9) The computer-assigned numbers, the validation data and the drawing date of an apparent winning ticket shall appear on the official file of winning tickets. A ticket with that exact data may not have been previously paid.

(10) The ticket may not be mis-registered, defectively printed, or printed or produced in error to an extent that it cannot be processed by the Lottery.

(11) The ticket shall pass other confidential security checks of the Lottery.

(12) By submitting a ticket for validation, the player agrees to abide by this chapter as determined by the Secretary.

(13) There may not be another breach of this part in relation to the ticket which, in the opinion of the Secretary, justifies disqualification.

(b) Invalid or defective tickets/disputes. A ticket not passing the validation checks in subsection (a) will be considered invalid and will not be paid.

(1) In cases of doubt, the determination of the Secretary is final and binding. The Secretary may replace an

invalid ticket with a ticket of equivalent sale price from a current Lottery game.

(2) If a defective ticket is purchased or if the Secretary determines to adjust an error, the sole and exclusive remedy will be the replacement of the defective or erroneous ticket with a ticket of equivalent sale price from a current Lottery game.

(3) If a ticket is not paid by the Lottery and a dispute occurs as to whether the ticket is a winning ticket, the Lottery may replace the ticket as provided in paragraph (2). This is the sole and exclusive remedy of the holder of the ticket.

§ 874.11. Procedures for claiming and payment of prizes.

(a) A prize shall be claimed only through a licensed on-line retailer as soon as that drawing is placed in pay status by the Lottery.

(b) An on-line retailer is authorized and required to make payment of a prize of \$2,500 or less, if the ticket is presented within a designated time period as announced by the Secretary, on an individual winning ticket, if the retailer has sufficient funds available for payment.

(c) The holder of an apparent winning ticket representing a prize of \$2,500 or less will be paid by participating on-line retailers as provided in subsection (b), if the ticket

validation requirements in § 874.10. (relating to ticket validation and requirements) have been met, a proper validation pay ticket has been issued by the retailer's computer terminal and other retailer procedures have been met.

(d) The holder of an apparent winning ticket representing a prize in excess of \$2,500, with the exception of the first prize, shall present the winning ticket to an on-line retailer or authorized claim center under Chapter 811 (relating to prizes).

(e) The holder of an apparent winning ticket representing a first tier prize shall present, in person, the apparent winning ticket to Lottery Headquarters or a Lottery Area Office under Chapter 811.

(f) The payment of a prize to a person who dies before receiving a particular prize or to a person under 18 years of age will be paid under §§ 811.16 and 811.27 (relating to prizes payable after death of prize winner; and payment of prizes to persons under 18 years of age).

(g) The Commonwealth will be discharged of liability after payment of prizes as provided in § 811.26 (relating to discharge of State liability upon payment).

§ 874.12. Prizes.



(a) Monies shall be drawn from the Lottery Fund, to the extent necessary, to fund the payment of prizes under this subsection.

(b) If the raffle Lottery game is terminated for any cause, prize monies remaining undistributed will be paid out of the State Lottery Fund and used for purposes otherwise provided for by law.

(c) A winning raffle Lottery game ticket is entitled only to the highest prize won by the number on each play or chance.

§ 874.13. Unclaimed prize money.

Unclaimed prize money on winning raffle lottery game tickets will be retained by the Secretary for payment to the persons entitled thereto for 1 year from the announced close of the raffle lottery game. If no claim is made within 1 year of the announced close of the raffle lottery game conducted by the State Lottery under this chapter, the right of a ticket holder to claim the prize represented by that ticket, if any, shall expire and the prize money will be paid into the State Lottery Fund and used for purposes otherwise provided for by statute.

§ 874.14. Withholding.

Federal withholding taxes will be withheld by the Lottery for prize payments in amounts required in accordance with applicable provisions of law.

§ 874.15. Purchase and prize restrictions.

A ticket may not be purchased by, and a prize will not be paid to, an officer or employee of the Lottery, Lottery professional services contractors or subcontractors, who are involved in the operation of the on-line lottery games system or its associated drawings, or to a spouse, child, brother, sister or parent residing in the same household of the officer, employee, contractor, or subcontractor.

§ 874.16. Governing law.

(a) In purchasing a ticket, the purchaser agrees to comply with and abide by applicable laws, this part, instructions, conditions and final decisions of the Secretary, and procedures established by the Secretary for the conduct of the raffle Lottery game.

(b) Decisions made by the Secretary including the declaration of prizes and the payment thereof in interpretation of this part are final and binding on players and persons making a claim in respect thereof.

§ 874.17. Retailer promotion programs.

Retailer incentive and marketing promotion programs, including the use of unfunded free tickets, may be implemented at the discretion of the Secretary. Funds for the programs, if needed, will be drawn from the Lottery Fund.

1/18/05

# - Sample Notice ~

**SAMPLE NOTICE - FYI only - not part of regulation package. Department intends to file Notices for raffle lottery games (as we do for instant games).**

DEPARTMENT OF REVENUE

ON-LINE RAFFLE LOTTERY GAME NOTICE

Pennsylvania Millionaire Raffle

Under the State Lottery Law (72 P.S. §§ 3761-101 -- 3761-314), and 61 Pa. Code § XXX.203 (relating to notice of raffle lottery game rules), the Secretary of Revenue hereby provides public notice of the rules for the following raffle lottery game:

1. Name: The name of the raffle game is Pennsylvania Millionaire Raffle.

2. Price: The price of a Pennsylvania Millionaire Raffle lottery game ticket is \$10.

3. Ticket Sales And Drawing Date: Pennsylvania Millionaire Raffle lottery game tickets sales will commence on or after ~~May 27, 2005~~, and will continue until all 800,000 tickets have been sold or 6:00 p.m. on ~~May 27, 2005~~, whichever occurs earlier.

4. Ticket Characteristics: Each Pennsylvania Millionaire Raffle lottery game ticket will contain one unique six-digit number between 000,001 and 800,000.

5. Prizes: The prizes that can be won in this game are \$1,000, \$100,000 and \$1,000,000. A player may only win one time on each ticket or chance.

6. Maximum Number of Tickets Printed and Sold for the Game:

**SAMPLE NOTICE - FYI only - not part of regulation package**

There will be no more than 800,000 tickets printed and sold for the Pennsylvania Millionaire Raffle lottery game. The chances will be issued in a random order.

**7. Conduct of Drawing:**

The results of the Pennsylvania Millionaire Raffle will be broadcast on ~~May 22, 2005~~, at or about 7:00 p.m. The drawing will be conducted at approximately 6:30 p.m. on ~~May 23, 2005~~, with the aid of an electronic device. Five-hundred eight (508) unique six-digit numbers will be drawn, between 000,001 and 800,000. The first three unique six-digit numbers drawn will be the first prize tier prize winning numbers; the fourth through eighth unique six-digit numbers drawn will be the second prize tier winning numbers; and the ninth through 508th unique six-digit numbers drawn will be the third prize tier winning numbers.

**8. Determination of Prize Winners:**

(a) Holders of tickets upon which the unique six-digit number matches exactly the first-prize tier numbers selected by the Lottery shall be entitled to a prize of \$1,000,000.

(b) Holders of tickets upon which the unique six-digit number matches exactly the second-prize tier numbers selected by the Lottery shall be entitled to a prize of \$100,000.

(c) Holders of tickets upon which the unique six-digit number matches exactly the third-prize tier numbers selected by the Lottery shall be entitled to a prize of \$1,000.

SAMPLE NOTICE - FYI only - not part of regulation package

9. Number and Description of Prizes and Approximate Odds:

The Pennsylvania Millionaire Raffle prizes and determination winners are as follows:

Ticket Matching Exactly The Unique six-digit number Drawn in:	Win Prize of:	Odds of Winning 1 in	Number of Winners
First Prize Tier	\$1,000,000	266,666.7	3
Second Prize Tier	\$100,000	160,000	5
Third Prize Tier	\$1,000	1,600	500

All Pennsylvania Millionaire Raffle lottery game prize payments, including first prize tier prizes, will be made as a one-time lump-sum cash payment.

10. Retailer Incentive Awards: The Lottery may conduct a separate Retailer Incentive Game for retailers who sell Pennsylvania Millionaire Raffle lottery game tickets. The conduct of the game will be governed by 61 Pa. Code § XXX.xx (relating to retailer bonuses and incentives).

11. Unclaimed Prize Money: For a period of one year from the announced close of Pennsylvania Millionaire Raffle, prize money from winning Pennsylvania Millionaire Raffle lottery game tickets will be retained by the Secretary for payment to the persons entitled thereto. If no claim is made within one year of the anniversary date of the raffle drawing in which the ticket or chance was entered, the right of a ticket holder to claim the prize represented by the ticket, if any, will expire and the prize money will be paid into the State Lottery Fund and used for purposes provided for by statute.

**SAMPLE NOTICE - FYI only - not part of regulation package**

12. Governing Law: In purchasing a ticket, the customer agrees to comply with and abide by the State Lottery Law (72 P.S. §§ 3761-101 -- 3761-314), the regulations contained in Part V of Title 61 of the Pennsylvania Code (relating to State Lotteries) and the provisions contained in this notice.

---

Gregory C. Fajt  
Secretary of Revenue

Date .

Department of Revenue - Notice of Final-Omitted Rulemaking

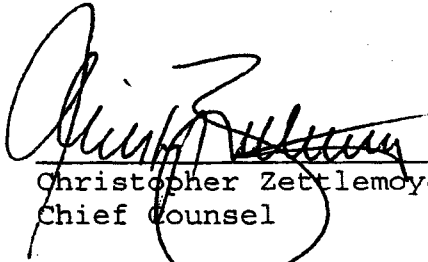
61 Pa. Code §§ 874.1 - 874.17

Raffle Lottery Games

15-428

FORM AND LEGALITY

I certify that I have reviewed this regulation for form and legality, that I have discussed any legal and policy issues with the attorneys responsible for this regulation, that I have made all appropriate revisions and that all information contained in the Preamble and Annex A is current and accurate.

  
\_\_\_\_\_  
Christopher Zettlemyer  
Chief Counsel

Department of Revenue -  
61 Pa. Code §§ 874.1 - 874.17  
Raffle Lottery Games

15- 428

SECRETARY'S CERTIFICATION

I, Gregory C. Fajt, do hereby certify that I have reviewed this regulation and determined that the regulation is consistent with the principles outlined in Executive Order 1996-1.



Gregory C. Fajt  
Secretary of Revenue



**TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE  
REGULATORY REVIEW ACT**

I.D. NUMBER: 15-428  
 SUBJECT: State Lotteries - Raffle Lottery Games  
 AGENCY: DEPARTMENT OF REVENUE

# 2483

**TYPE OF REGULATION**

- Proposed Regulation
- Final Regulation
- Final Regulation with Notice of Proposed Rulemaking Omitted
- 120-day Emergency Certification of the Attorney General
- 120-day Emergency Certification of the Governor
- Delivery of Tolled Regulation
  - a. With Revisions
  - b. Without Revisions

RECEIVED  
 MAY 19 11:15 AM '05  
 DEPARTMENT OF REVENUE

**FILING OF REGULATION**

DATE	SIGNATURE	DESIGNATION
5/19/05	<i>Nancy S. Cole</i>	HOUSE COMMITTEE ON FINANCE
5/19/05	<i>Katasha Woodruff</i>	minority
5-19-05	<i>Janelin</i>	SENATE COMMITTEE ON FINANCE
5/19/05	<i>[Signature]</i>	minority
5/19/05	<i>Steph J. Hoff</i>	INDEPENDENT REGULATORY REVIEW COMMISSION
5-19-05	<i>Mary Munn</i>	ATTORNEY GENERAL (for Final Omitted only)
		LEGISLATIVE REFERENCE BUREAU (for Proposed only)

May 16, 2005