

OFFICE OF THE SECRETARY OF STATE

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ARCHIVES DIVISION

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NOTICE OF PROPOSED RULEMAKING
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 177
OREGON STATE LOTTERY

FILED

01/24/2025 8:27 AM
ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: Updating Mega Millions game rules to align with MUSL rules and support game changes

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 02/28/2025 5:00 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

CONTACT: Kris Skaro
503-540-1181
kris.skaro@lottery.oregon.gov

500 Airport Rd SE
Salem, OR 97301

Filed By:
Kris Skaro
Rules Coordinator

HEARING(S)

Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.

DATE: 02/18/2025

TIME: 10:00 AM - 11:00 AM

OFFICER: Kris Skaro

REMOTE HEARING DETAILS

MEETING URL: [Click here to join the meeting](#)

PHONE NUMBER: 971-323-0081

CONFERENCE ID: 943791943

SPECIAL INSTRUCTIONS:

Written comment can be submitted to Kris Skaro at kris.skaro@lottery.oregon.gov until 5 p.m. on Friday, February 28, 2025.

The public may also comment at a virtual hearing over Microsoft Teams. Click the meeting URL above to join online on your computer, tablet, or through the Teams app. You can also join by phone using the call-in information above.

If you have questions about how to attend the hearing or comment, please contact Kris Skaro at kris.skaro@lottery.oregon.gov or 503-540-1181.

NEED FOR THE RULE(S)

Background:

The Lottery has offered the multi-jurisdictional draw game Mega Millions since 2010. The Lottery participates in the Mega Millions game through membership in the Multi-State Lottery Association, known as MUSL. MUSL is a voluntary organization of state and provisional lotteries who join to offer draw games across jurisdictions, allowing for higher jackpot amounts and greater player interest.

Mega Millions is a popular draw game in Oregon, generating close to \$57 million in sales in Business Year 2024. More than \$28 million was paid out in prizes, and businesses who sell Mega Millions tickets earned an eight percent commission on each sale. Since 2010, Lottery has transferred ~\$140 million in net proceeds from Mega Millions to the Economic Development Fund (EDF). Money from the EDF is distributed to Lottery's constitutional and statutory beneficiaries including public education, state parks and natural resources, veterans' services, economic development, and problem gambling treatment and prevention.

As a member of MUSL, the Lottery agrees to comply with the MUSL game rules to the extent required. (Some aspects of the game are left to Lottery's discretion, such as how prizes are claimed and whether to offer optional game add-ons.)

Mega Millions Game Enhancements:

MUSL will launch changes to the Mega Millions game in April 2025 such as eliminating previous promotions ("Just the Jackpot" and "Megaplier"), increasing the ticket price, and including a multiplier with each ticket purchase that multiplies any non-jackpot prize won.

The purpose of the changes is to respond to player demand for bigger and more frequent jackpots, higher non-jackpot prize amounts, free multipliers with each ticket purchase, and improved odds of winning a prize. The goal of the changes is to increase player interest and, thus, overall ticket sales. To implement these changes, MUSL has updated the Mega Millions Product Group Rules.

Statement of Need:

The Lottery needs to amend and repeal rules as described in this notice to align with the MUSL Product Group Rules and communicate the new game features that will launch in April 2025 to the public and retailers. To meet the need, the proposed rules do the following:

- Update the game description to match the Mega Millions game enhancements that will launch in 2025, including increasing the ticket price from \$2 to \$5; providing a randomly generated multiplier with each purchase that increases non-jackpot prizes by two, three, four, five, or ten times; and updating the game matrix.
- Update the odds of winning and disclose the frequency of each multiplier.
- Repeal Megaplier and Just the Jackpot rules, which are add-ons that will no longer be offered.
- Update our ineligible player rule to align with MUSL's.
- Update definitions and terminology throughout the rules to align Lottery's rules with MUSL's rule where applicable, such as changing "ticket" to "play" (in some cases) and "lump sum payment" to "cash value option."
- Make minor edits throughout the division of rules to align more closely with language and phrasing used by the MUSL rules.

The proposed changes bring Lottery's rules in line with the revised MUSL game rules. The changes ensure Lottery can continue to offer the Mega Millions game to players in Oregon, consistent with Lottery's mission to sell games of chance to raise money for programs that are important to voters including public education, state parks and natural resources, economic development, and veterans' services.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

Lottery relied upon the following documents when considering the need for and in preparing the proposed rules. They are available at the URL provided or upon request to Kris Skaro at Kris.skaro@lottery.oregon.gov or 503-540-1181:

- ORS chapter 461 available at https://www.oregonlegislature.gov/bills_laws/ors/ors461.html.
- Article XV, § 4(4) of the Oregon State 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>.
- Mega Millions Product Group Rules adopted January 9, 2025 available upon request.

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

The Lottery estimates that amending and repealing rules as described in this notice will not affect racial equity in Oregon. The rules make modest changes to the Mega Millions game (repeal previous enhancements and replace them with new enhancements) that are intended to make the game more appealing to players. The Lottery does not have any information to suggest that any racial group will be negatively or positively impacted by these game changes.

FISCAL AND ECONOMIC IMPACT:

The changes to Mega Millions are intended to increase player interest in the game by creating higher set prizes and bigger jackpots, which are popular with players and have a direct impact on ticket sales. Therefore, Lottery estimates that amending and repealing the rules as described in this notice might have a positive fiscal impact on the sale of Mega Millions tickets. The Lottery expects the increase to be modest and spread out over time as jackpots increase in size, which drives ticket sales.

On average, from the revenue that remains after paying prizes and operational expenses, 34% of ticket sales goes to public programs and retailers earn an 8% commission on tickets they sell. Therefore, if increased ticket sales materialize as a result of the game changes, that will have a positive fiscal impact on retailers who sell Mega Millions tickets and state agencies and units of local government that receive revenue from the sale of Lottery games. See the Lottery's Cost of Compliance Statement for more information.

The rule changes will have a negative fiscal impact on people who play Mega Millions because the ticket price will go from \$2 to \$5. No person is required to purchase a ticket and some players will win a prize, which might be bigger than it would have been under the previous version of the game, since the new game provides a change to win higher low-tier prizes and bigger jackpots.

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

(1) State Agencies: The Lottery is unable to estimate how players will respond to the new game features, but Lottery expects to see an increased in ticket sales over time as players respond to larger and more frequent jackpots. About 34% of Mega Millions ticket sales is transferred to the Economic Development Fund (EDF). This means that if ticket sales increase, there will be more revenue transferred to the EDF. From the EDF, revenue is distributed to Lottery's constitutional and statutory beneficiaries. Some of this money flows through state agencies such as the Oregon Department of Education, Business Oregon, and the Oregon Department of Veteran Affairs. Lottery is unable to estimate how much money will go to each state agency because that is at the discretion of the Legislature within the constitutional constraints on the authorized use of Lottery revenue.

Units of Local Government: As noted above, in the event Lottery revenue increases due to increased Mega Millions

ticket sales, there will be additional revenue in the EDF, which could go to local schools or local governments for public education, economic development, or veterans' services. Again, Lottery is unable to provide an estimated fiscal impact or to determine which units of local government will benefit, since the specific allocations to units of local government are at the discretion of the Legislature.

Members of the Public: As noted above, the rule changes will have a negative fiscal impact on people who play Mega Millions because the ticket price will go from \$2 to \$5. No person is required to purchase a ticket and some players will win a prize.

(2) Effect on Small Businesses:

(a) Estimate the number and type of small businesses subject to the rule(s);

Small businesses aren't subject to the rules per se; however, any small business who contracts with the Lottery to sell Mega Millions (these are referred to as "traditional Lottery retailers") will be affected by these game rules. As of this writing, there are about 3,200 retailers who sell traditional Lottery games like Mega Millions. Lottery estimates that most, but not all, of those retailers are small businesses as defined in ORS 183.310. The type of business that contracts with Lottery to sell traditional Lottery games are grocery stores, convenience stores, gas stations, multistate chain retail stores, bars, restaurants, taverns, bowling alleys, pizzerias, and the like.

(b) Describe the expected reporting, recordkeeping, and administrative activities and cost required to comply with these rule(s);

The Lottery does not expect the rules to impose any new reporting, recordkeeping, or administrative activities on small businesses beyond what is currently required under their retailer contract and that they do for all the Lottery games they sell. Lottery will provide all the equipment and supplies needed to sell tickets in the game, such as point-of-sale terminals, ticket stock, and marketing materials. Retailers will need to provide an effective selling environment such as having staff available to sell tickets and pay prizes that are claimed at the retailer. These are not new costs of compliance because these activities are already required under their contract with the Lottery for all the other traditional games the retailer sells. The retailer earns a commission based on the number of tickets they sell each week. If increased ticket sales result as expected from the game changes, retailers will benefit from higher commissions.

(c) Estimate the cost of professional services, equipment supplies, labor, and increased administration required to comply with the rule(s).

The Lottery does not expect the rules to impose any new costs of professional services, equipment, supplies, labor, or increased administrative activities on small businesses beyond what is currently required under their retailer contract and that they do for all the Lottery games they sell. Lottery will provide all the equipment and supplies needed to sell tickets in the game, such as point-of-sale terminals, ticket stock, and marketing materials. Retailers will need to provide an effective selling environment such as having staff available to sell tickets and pay prizes that are claimed at the retailer. These are not new costs of compliance because these activities are already required under their contract with the Lottery for all the other traditional games the retailer sells. The retailer earns a commission based on the number of tickets they sell each week. If increased ticket sales result as expected from the game changes, retailers will benefit from higher commissions.

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

The Lottery does not believe small businesses will be negatively impacted by the rules, so Lottery did not involve them

in the development of the rules. The Lottery welcomes comment from small businesses during the public rulemaking process and will consider all comments received before taking final action on the rules.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

The Lottery did not believe any person or community would be interested in these rules, and so did not consult a rule advisory committee. The Lottery welcomes comment from the public during the public rulemaking process and will consider all comments received before taking final action on the rules.

RULES PROPOSED:

177-098-0000, 177-098-0010, 177-098-0020, 177-098-0030, 177-098-0040, 177-098-0050, 177-098-0060, 177-098-0070, 177-098-0080, 177-098-0090, 177-098-0100, 177-098-0110, 177-098-0120

AMEND: 177-098-0000

RULE SUMMARY: The Lottery is proposing to amend OAR 177-098-0000, which explains the purpose of the rules in division 98. The proposed amendment aligns Lottery's rules with MUSL terminology. Specifically, MUSL has changed the term "cross-selling agreement" to "cross-sell agreement." The proposed amendment aligns with that change. Lottery is also proposing to update the statutory references section of the rule. The Lottery may make other or alternative changes in response to information or public comment received during the rulemaking process. The Lottery may also make non-substantive edits, such as to update statutory and rule citations; remove registered trademark symbols; improve grammar, organization, or ease of reading; or otherwise improve the clarity and accuracy of the rule.

CHANGES TO RULE:

177-098-0000

Purpose ¶

These rules establish the requirements for playing Mega Millions[®], a lotto game operated through a Cross-Selling Agreement for the selling of the Mega Millions[®] Game by the Multi-State Lottery Association (hereinafter referred to as "MUSL"), of which the Oregon State Lottery is a member.
Statutory/Other Authority: ORS 190, 461, OR Const. Art. XV, Sec. 4(4), Const. Art XV, § 4(4)(a), ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300
Statutes/Other Implemented: ORS 461, Const. Art XV, § 4, ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300

RULE SUMMARY: The Lottery is proposing to amend OAR 177-098-0010 about definitions that apply to the Mega Millions game rules. The changes are to delete, add, or amend definitions to better align with terminology used by MUSL. Most of these changes are not substantive except to the extent that they reflect the changes to the game taking effect in April 2025. The Lottery may make other or alternative changes in response to information or public comment received during the rulemaking process. The Lottery may also make non-substantive edits, such as to update statutory and rule citations; remove registered trademark symbols; improve grammar, organization, or ease of reading; or otherwise improve the clarity and accuracy of the rule.

CHANGES TO RULE:

177-098-0010

Definitions ¶¶

The following definitions apply unless the context requires a different meaning:¶¶

(1) ~~"Advertised Grand Prize" or "Advertised Jackpot Prize"~~ means the estimated annuitized ~~Grand Prize~~Mega Millions Jackpot amount as determined by the Mega Millions² ~~Finance Committee and communicated through the Selling Lotteries prior to the Grand Prize drawing~~ Lotteries. The advertised ~~Grand P~~Jackpot prize is not a guaranteed prize amount and the actual ~~Grand Prize~~Mega Millions Jackpot amount may vary from the advertised amount, except in circumstances where there is a guaranteed ~~Grand Prize~~Mega Millions Jackpot amount as described in OAR 177-098-0060(5).¶¶

(2) ~~"Drawing"~~ refers collectively to the formal draw event for randomly selecting the winning indicia that determine the number of winners for each prize level of the Mega Millions² game. ~~Winning indicia includes the winning numbers for the Mega Millions² game.~~¶¶

(3) ~~"Draw game terminal" or "terminal"~~ means a device that meets all security and definitional requirements of the Lottery and MUSL Rules, and which is authorized by the Lottery to function in an on-line, interactive mode with the Lottery's computer gaming system for the purpose of issuing tickets and entering, receiving, and processing lottery transaction, including making the purchases, validating tickets, and transmitting reports.¶¶

(4) ~~"Finance & Audit Committee"~~ means the committee established by the Multi-State Lottery Association Agreement.¶¶

(5) ~~"Game board" or "boards"~~ means that area of the play slip, which contains sets of numbered squares to be marked by the player.¶¶

~~(6)~~Finance Committee means the committee established by the Multi-State Lottery Association.¶¶

(3) ~~"Game ticket" or "ticket"~~ means the physical evidence of a play or plays, printed on paper that meets the play and security data required by the Lottery, these rules, and the MUSL rules that allow redemption of a prize. Tickets shall be printed by terminals as permitted by the Lottery.¶¶

(74) ~~"Jackpot" or "Grand Jackpot Prize"~~ refers to the top prize in the Mega Millions² game.¶¶

(85) ~~"Mega Millions² Finance Committee"~~ means a committee of the Mega Millions² ~~L~~ Lotteries means those lotteries that have reached a Cross-Sell Agreement with MUSL for the selling of the Mega Millions game. The Mega Millions lotteries, which determines the Advertised Jackpot Prize amount (cash value option and annuity).¶¶

(96) ~~"Mega Millions² Lottery" or "lotteries"~~ means those lotteries which have joined under the Mega Millions² Lottery Agreement and through a Cross-Selling Agreement with MUSL, to operate and sell Plays means plays purchased for the Mega Millions² game.¶¶

(107) ~~"Megamultiplier²"~~ means a Mega Millions² game feature, known as "Megaplier²", by which a player, for an additional wager of \$1 per play, can increase the guaranteed prize amount or pari-mutuel prize amount, as applicable, excluding the Jackpot Prize, by a ~~fact~~unique number that is automatically selected by computer ~~sof~~ of two, three, four, or five times ~~depenare according uponto~~ the multiplier number that is drawn prior to the Mega Millions² game drawing frequency set forth in OAR 177-098-0050 for each Mega Millions play.¶¶

(118) ~~"MUSL"~~ means the Multi-State Lottery Association, a government benefit association wholly owned and operated by the Party Lotteries.¶¶

(129) ~~"MUSL Board"~~ means the governing body of MUSL, which is comprised of the chief executive officer of each Party Lottery.¶¶

(130) ~~"Number set"~~ means that area of the play slip which contains sets of numbers to be marked by the player.¶¶

(11) ~~"Participating Lottery" or "Selling Lottery"~~ means a state lottery or lottery of a political subdivision or entity which is participating in selling the Mega Millions² game and which may be a member of either MUSL or the Mega Millions² lotteries. In context, "selling lottery" may refer to the participating lottery which sold a particular play.¶¶

(142) ~~"Party Lottery"~~ means a state lottery or lottery of a political subdivision or entity, which has joined the

MUSL and, in the context of these Product Group Rules, which ~~that~~ has joined in selling the games offered by the MUSL Mega Millions[®] Product Group.¶

~~(153)~~ "Play" or "game play~~bet~~" means a set of six numbers, the first five from a field of seventy numbers and the last one from a field of twenty-five numbers that appear on a ticket as a single lettered selection and are to be played by a player in the game. Each play is played separately in determining matches to winning numbers and prize amounts~~physical or electronic means by which a player communicates their intended play selection to the retailer as defined and approved by the Lottery. As used in these rules, "play" or "bet" means a Mega Millions play.~~¶

~~(164)~~ "Play slip" or "Bet slip" means a physical or electronic means by which a player communicates their intended play selection to the retailer as defined and approved by the Lottery. A Play Slip or Bet Slip is not a ticket.¶

~~(175)~~ "Product Group" or "the Group" means the group of lotteries ~~which~~~~that~~ has joined together to offer the Mega Millions[®] lottery game product pursuant to the terms of ~~a~~~~the Agreement for Cross-Selling Agreement with~~ between MUSL and the Mega Millions[®] Lotteries, the Multi-State Lottery Agreement, and the Product Group's own rules.¶

~~(186)~~ "Quick Pick" means the random selection of game play number indicia by the Lottery's computer gaming system that appear on a ticket and are played by a player in the game.¶

~~(197)~~ "Retailer" means a person or entity authorized by the Lottery to sell lottery tickets.¶

~~(2018)~~ "Set Prize," also referred to as "low-tier prize," means all other prizes except the Jackpot Prize and, except in instances outlined in these rules, will be equal to the prize amount established by the ~~MUSL Board for the prize level~~Mega Millions Lotteries.¶

~~(19)~~ "Terminal" means a device that meets all security and definitional requirements of the Lottery and MUSL rules, and which is authorized by the Lottery to function in an on-line, interactive mode with the Lottery's computer gaming system for the purpose of issuing lottery tickets and entering, receiving, and processing lottery transactions, including purchases, validating tickets, and transmitting reports.¶

~~(210)~~ "Winning numbers" means the ~~indicia randomly~~game results selected during an official drawing event ~~which shall be used to determine winning plays for the Mega Millions[®] game performed by the Mega Millions lotteries, and are used by the Mega Millions lotteries to determine winning plays~~ contained on a game ticket.

Statutory/Other Authority: Or Const, Art XV, [§] 4(4)(a), ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300

Statutes/Other Implemented: Or Const, Art XV, [§] 4, ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300

RULE SUMMARY: The Lottery is proposing to amend OAR 177-098-0020. This rule describes how the Mega Millions game works. The rule is amended to reflect the new game enhancements that will take effect in April 2025 and to overall align with rule language more closely to the MUSL Mega Millions rules. For example, the ticket price goes from \$2 to \$5; the game matrix is changed from a 5/70 plus 1/25 to a 5/70 plus 1/24 game; and each play includes a multiplier for no additional cost that increases the value of non-Jackpot prizes by two, three, four, five, or ten times the prize won. The Lottery may make other or alternative changes in response to information or public comment received during the rulemaking process. The Lottery may also make non-substantive edits, such as to update statutory and rule citations; remove registered trademark symbols; improve grammar, organization, or ease of reading; or otherwise improve the clarity and accuracy of the rule.

CHANGES TO RULE:

177-098-0020

Game Description ¶

(1) General Information: Mega Millions[®] is a five (5) out of seventy (70) plus one (1) out of twenty-five (24) lottery game, drawn on the day(s), time(s) and location(s) as determined by the Mega Millions[®] Lotteries, ~~and which pays the Jackpot Prize.~~ Each Mega Millions play will include a multiplier, which is a unique number that is automatically selected by computer software according to the frequency set in OAR 177-098-0050 and printed directly on a Mega Millions ticket. The multiplier increases non-Jackpot Prizes by two times, three times, four times, five times, or ten times the prize won. A Jackpot Prize will be paid at the election of the player made in accordance with these rules or by a default election made in accordance with these rules, either on a graduated annuitized annual pari-mutuel basis or as a cash value option using a rate determined by the Mega Millions[®] Finance Committee Lotteries on a pari-mutuel basis. Except as provided in these rules, all other prizes are paid as on a single lump-sum payment-payment basis.¶

(2) Winning Numbers: Mega Millions[®] winning numbers applicable to determine Mega Millions[®] prizes will be determined on the day(s), time(s), and location(s) as determined by the Mega Millions[®] lotteries. During a drawing event, five (5) numbers shall be drawn from the first setfield of seventy (70) numbers, and one (1) number shall be drawn from the second setfield of twenty-five (24) numbers, which shall constitute the winning numbers. For each Mega Millions play, a multiplier will be automatically selected by computer software according to the frequency set forth in OAR 177-098-0050.¶

(23) Selection of Numbers: To play the Mega Millions[®] game, a player shall select (or computer pick) five (5) different numbers, from one (1) through seventy (70), and one (1) additional number from one (1) through twenty-five (the Mega ball). The additional number a second field of one (1) through twenty-four (24). The player selected (or computer picked) number from the second field may be the same as one of the first five numbers selected by from the player, as long as it is from one through twenty-five first field. A computer-generated multiplier will be included on each Mega Millions play purchased and will multiply lower tier prizes only. The multiplier is including in the price of a Play and is not an add-on. The multiplier is further defined in OAR 177-098-0050.¶

(34) Purchase of Tickets: Tickets can be purchased for ~~two~~ five dollars (U.S. \$25.00), either from a terminal operated by a retailer (i.e., a clerk-activated terminal) or from a terminal operated by the player (i.e., a player-activated terminal).¶

(a) Purchase from Retailer: If purchased from a retailer, the retailer will issue a ticket, via the terminal, containing the player's selected set or sets of numbers or other indicia, each of which constitutes a game play. The player may select a set of five (5) numbers from one (1) to seventy (70) and one (1) additional number from one (1) through twenty-five (24) by:¶

(A) Marking six numbered squares in any one ~~game board~~ number set on a play slip and submitting the play slip to the retailer; or¶

(B) Requesting "Quick Pick" from the retailer.¶

(b) Player-activated Terminal: Tickets can be purchased from a player-activated terminal by use of a touch screen or by inserting a play slip into the machine.¶

(c) Future Drawings: A player may purchase tickets for future consecutive drawings up to the maximum permitted by the Lottery.¶

(45) Player Responsibility: It is the sole responsibility of the player to verify the accuracy of the game play or plays and other data printed on the ticket. A ticket may not be voided or canceled by returning the ticket to the retailer or to the Lottery, including tickets that are printed in error. No ticket may be returned to the Lottery for credit.

The placing of plays is done at the player's own risk through the Lottery retailer, who when entering the play or plays is acting on behalf of the player. When the purchase of a ticket fails to complete because the ticket does not print, the player is responsible for notifying the retailer prior to the drawing(s) on the ticket to obtain a refund or a replacement ticket.¶¶

(56) Printed Plays: Plays shall be sold through the Lottery and shall be printed on paper that meets the security requirements for paper used in the Lottery's other games and other requirements adopted by the MUSL Board and the Product Group.¶¶

(67) Entry of Plays: Plays may only be entered as approved by the Lottery. Retailers shall not permit the use of play slips that are not allowed by the Lottery. Retailers shall not permit any device to enter plays, except as allowed by the Lottery.¶¶

(78) Determination of Winning Numbers: The winning numbers for the Mega Millions® game shall be determined at a drawing conducted under the supervision of the Mega Millions® Lotteries and the MUSL Board. Winning numbers shall be selected at random with the aid of mechanical drawing equipment or a random number generator. The Lottery Director shall designate a Drawing Manager who shall review and randomly observe the Mega Millions® game drawings conducted.

Statutory/Other Authority: Or Const, Art XV, § 4(4)(a), ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300

Statutes/Other Implemented: Or Const, Art XV, § 4, ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300

AMEND: 177-098-0030

RULE SUMMARY: The Lottery is proposing to amend OAR 177-098-0030. This rule explains how a play can claim a prize in the Mega Millions game. The proposed amendments align the rule with the MUSL rules but do not substantively change prize claim requirements for Mega Millions. The Lottery may make other or alternative changes in response to information or public comment received during the rulemaking process. The Lottery may also make non-substantive edits, such as to update statutory and rule citations; remove registered trademark symbols; improve grammar, organization, or ease of reading; or otherwise improve the clarity and accuracy of the rule.

CHANGES TO RULE:

177-098-0030
Prize Claims ¶

(1) General: A ticket, subject to the validation requirements set forth in these rules and OAR 177-070-0035, is the only proof of a game play or plays and the submission of a winning ticket to the Lottery or an authorized retailer as required by these rules is the sole method of claiming a prize or prizes, except that a Jackpot Prize (and a Match 5 prize) must be claimed in person at Lottery Headquarters or at a Lottery Branch, unless the ticket specifies that it must be claimed at Lottery Headquarters. ~~A play slip or a copy of a ticket has no pecuniary or prize value and does not constitute evidence of ticket purchase or of numbers selected. A terminal produced paper receipt, if any, paper receipt, or printed summation of a play printed by a terminal which is not a ticket~~ has no pecuniary or prize value and does not constitute evidence of ticket purchase or of numbers selected.¶

(2) Prize Claims: Mega Millions prize claim procedures are governed by the administrative rules of the Oregon State Lottery. MUSL and the selling lotteries are not responsible for Mega Millions prizes that are not claimed following the proper procedures as determined by the Director.

Statutory/Other Authority: ~~ORS 190, OR Const., Art. XV, Sec. 4(4), 461.20 4(4)(a), ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300~~

Statutes/Other Implemented: ~~ORS 461r Const, Art XV, 4, ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300~~

RULE SUMMARY: The Lottery is proposing to amend OAR 177-098-0040. This rule explains the Mega Millions Prize Pool, which are the different accounts that are used to fund prizes in the Mega Millions game. The changes align with the MUSL rules. Most changes are terminology changes that are not substantive. The prize payout percentage chart is removed from this rule; the prize structure, odds of winning, and percent payout are provided in the new charts being added to OAR 177-098-0050 described later in this notice. The Lottery may make other or alternative changes in response to information or public comment received during the rulemaking process. The Lottery may also make non-substantive edits, such as to update statutory and rule citations; remove registered trademark symbols; improve grammar, organization, or ease of reading; or otherwise improve the clarity and accuracy of the rule.

CHANGES TO RULE:

177-098-0040

Mega Millions[®] Prize Pool ¶

(1) Prize Pool: The prize pool for all prize categories offered by the Party Lotteries shall consist of up to fifty-five percent (55%) of each drawing period's sales, inclusive of contributions to the prize pool accounts and prize reserve accounts, but may be higher or lower ~~than fifty-five percent~~ based upon the number of winners at each prize level, as well as the funding required to meet a guaranteed Annuity Mega Millions Jackpot Prize as may be required by OAR 177-098-0060(5).¶

(2) Mega Millions[®] Prize Pool Accounts and Prize Reserve Accounts: The Product Group shall set the contribution rates to the prize pool and ~~one or more~~ the prize pool and prize reserve ~~or pool~~ accounts it has established.¶

(a) Prize Reserve Accounts: The Product Group has established the ~~following p~~ Prize r ~~Reserve a~~ Accounts for the ~~Mega Millions[®] game.~~¶

~~(A) The Prize Reserve Account (PRA), which is used to guarantee the payment of valid, but unanticipated, Jackpot Prize claims that may result from a system error or other reason, to fund deficiencies in the Set-Aside Pool, and to fund pari-mutuel prize deficiencies as defined and limited in OAR 177-098-0040(3)(c) subsection (3)(c) of this rule.~~¶

(b) Prize Pool Accounts: The Product Group has established the following prize pool accounts for the Mega Millions[®] games:¶

(A) The ~~Grand~~ Jackpot Prize Pool (JPP), which is used to fund the current ~~immediate~~ Jackpot Prize;¶

(B) The Set Prize Pool (SPP), which is used to fund the set ~~prizes. The Set Prize Pool or lower tier prizes. The SSP~~ holds the temporary balances that may result from having fewer than expected winners in the Set Prize categories. The source of the ~~Set Prize Pool~~ SP is the Party Lotteries' weekly prize contributions less actual Set Prize liability; and¶

(C) The Set-Aside Pool (SAP), which is used to fund the payment of the awarded minimum starting annuity Mega Millions Jackpot Prizes and the minimum annuity Mega Millions Jackpot Prize increase, if necessary (subject to the limitations in these rules), as may be set by the Product Group. The source of the ~~Set-Aside Pool~~ AP funding shall accumulate from the difference between the amount in the ~~Grand~~ Mega Millions Jackpot Prize Pool at the time of a Mega Millions Jackpot Prize win and the amount needed to fund Mega Millions Jackpot Prize payments as determined by the Mega Millions[®] lotteries;¶

~~(c) Balance Limits: The above prize reserve accounts shall have maximum balance amounts or balance limiter triggers that are set by the Product Group. The maximum balance amounts and balance limiter triggers are subject to review by the MUSL Board Finance and Audit Committee. The Finance and Audit Committee shall have two weeks to state objections, if any, to the approved maximum balance amounts or balance limiter triggers. Approved maximum balance amounts or balance limiter triggers shall become effective no sooner than two weeks after notice is given to the Finance and Audit Committee and no objection is stated or sooner if the Committee affirmatively approves the maximum balance amounts or balance limiter triggers. The Product Group may appeal the Committee's objections to the full Board. Group approved changes in the maximum balance amounts or balance limiter triggers set by the Product Group shall be effective only after the next Mega Millions Jackpot Prize win.~~¶

(d) Contribution Rate: The contribution rate to the ~~Grand~~ Jackpot Prize Pool (JPP) from Mega Millions[®] is ~~32.765093~~ percent of sales. An amount up to five percent of a Party Lottery's sales; shall be added to a Party Lottery's Mega Millions[®] Prize Pool contribution and placed in trust in one or more prize pool and prize reserve accounts held by the Product Group at any time that the Party Lottery's share of the Prize Reserve Account (PRA) is below the amounts designated by the Product Group.¶

(e) Balances: The Product Group may determine to expend all or a portion of the funds in the prize pool accounts

(except the ~~Grand Jackpot~~ Prize Pool) and the prize reserve accounts as follows:¶

(A) For the purpose of indemnifying the Party Lotteries in the payment of prizes to be made by the Selling Lotteries; and¶

(B) For the payment of prizes or special prizes in the game; limited to prize pool and prize reserve contribution from lotteries participating in the special prize promotion, subject to the approval of the MUSL Board's Finance and Audit Committee or that Committee's failure to object after being given two weeks' notice of the planned action, which actions may be appealed to the full Board by the Product Group.¶

(f) Adjustments: The prize reserve shares of a Party Lottery may be adjusted with refunds to the Party Lottery from the prize reserve account(s) as may be needed to maintain the approved maximum balance and sales percentage shares of the Party Lotteries.¶

(g) Sales Percentage Share: A Party Lottery may contribute to its sales percentage share of prize reserve accounts over time, but in the event of a draw down from a reserve account, a Party Lottery is responsible for payment of its full sales percentage share of the prize reserve account, whether or not it has been paid in full.¶

(h) Remaining Balances: Any amount remaining in the Mega Millions[®] prize pool accounts or prize reserve accounts when the Product Group declares the end of the ~~Mega Millions[®]~~ game shall be returned to the lotteries participating in the prize pool and prize reserve accounts after the end of all claim periods of all Selling Lotteries, carried forward to a replacement game, or otherwise expended in a manner at the election of the individual Members of the Product Group in accordance with the laws of the jurisdiction.¶

(3) Expected Prize Payout Percentages: ~~The~~ The Mega Millions Jackpot Prize payout shall be determined on a pari-mutuel basis. Except as otherwise provided in these rules, all other prizes awarded by party lotteries shall be paid as single payment prizes. All prize payouts are made with the ~~following~~ expected prize payout percentages in OAR 177-098-0050, which does not include any additional amount contributed to or held in prize reserves, although the prize payout percentages per draw may vary:¶

¶

~~Prize Pool Percentages (See uploaded table)~~¶

¶

(a) Division of Jackpot Prize among Winners: The Jackpot Prize amount shall be divided equally by the number of ~~game ticket~~ Mega Millions plays winning the Jackpot Prize.¶

(b) Set Prizes: The Set Prize Pool (for payment of single payment prizes of \$1,000,000 or less) shall be carried forward to subsequent draws if all or a portion of it is not needed to pay the Set Prizes awarded in the current draw.¶

(c) Pari-Mutuel Prize Determinations:¶

(A) Available Resources: Except as otherwise provided for in ~~OAR 177-098-0110(10)(c)~~ paragraph (C) of this subsection, if the total of the Mega Millions[®] Set Prizes (as multiplied by the respective ~~Mega~~ multiplier multiplier if applicable) awarded in a drawing exceeds the percentage of the prize pool allocated to the Mega Millions[®] Set Prizes, then the amount needed to fund the Mega Millions[®] Set Prizes, ~~including Mega~~ including Mega ~~multiplier~~ multiplier prizes, awarded shall be drawn from the following sources, in the following order:¶

(i) The amount available in the Set Prize Pool ~~and the Mega~~ multiplier Prize Pool (SPP), if any;¶

(ii) An amount from the Prize Reserve Account (PRA) described in section (2) of this rule, if available, not to exceed \$40,000,000 per drawing.¶

(B) Lack of Sufficient Prize Funds: If, after these sources are depleted, there are not sufficient funds to pay the Set Prizes ~~awarded, including Mega~~ awarded, including Mega ~~multiplier~~ multiplier prizes, then the highest Set Prize shall become a pari-mutuel prize. If the amount of the highest Set Prize, when paid on a pari-mutuel basis, drops to or below the next highest Set Prize and there are still not sufficient funds to pay the remaining Set Prizes awarded, then the next highest Set Prize shall become a pari-mutuel prize. This procedure shall continue down through all Set Prize levels, if necessary, until all Set Prize levels become pari-mutuel prize levels. In that instance, the money available from the funding sources listed in this rule shall be divided among the ~~tickets with winning game~~ tickets with winning game plays in proportion to their respective prize percentages. Mega Millions[®] ~~and Mega~~ multiplier prizes will be reduced by the same percentage.¶

(C) Independent Calculations: By agreement with the Mega Millions[®] Lotteries, the Mega Millions[®] Lotteries shall independently calculate their set pari-mutuel prize amounts. The Party Lotteries and the Mega Millions[®] Lotteries shall then agree to set the pari-mutuel prize amounts for all lotteries selling the game at the lesser of the independently-calculated prize amounts.¶

(4) Advertised Jackpot Prize Annuity Amount: Except as required by OAR 177-098-0060, the official advertised Mega Millions Jackpot Prize annuity amount is subject to change based on sales forecasts and/or actual sales.¶

(5) Changes to Prize Categories: The number of prize categories and the allocation of the prize fund among the prize categories may be changed at the discretion of the Mega Millions[®] Lotteries, for promotional purposes. Such change shall be announced by the ~~Lottery prior to the drawing to which the change appl~~ Mega Millions Lotteries. Statutory/Other Authority: ~~ORS 190, 461, OR Const. Art. XV, Sec. 4(4) or Const. Art XV, § 4(4)(a), ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300~~

Statutes/Other Implemented: ORS 461r Const, Art XV, § 4, ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300

RULE SUMMARY: The Lottery is proposing to amend OAR 177-098-0050 almost in its entirety. This rule used to provide the probability of winning Mega Millions. However, the probability chart is proposed to be removed and is replaced with two new charts that reflect the game enhancements that will be launched in April 2025. The new chart provides the odds of winning and other information associated with each prize category offered in the game. Section (2) of the rule provides the frequency and odds of the new multiplier feature. The Lottery may make other or alternative changes in response to information or public comment received during the rulemaking process. The Lottery may also make non-substantive edits, such as to update statutory and rule citations; remove registered trademark symbols; improve grammar, organization, or ease of reading; or otherwise improve the clarity and accuracy of the rule.

CHANGES TO RULE:

177-098-0050

~~Probability of Winning~~
~~Prize Structure~~

~~General:~~(1) Prize Structure: The matrix of 5/70 and 1/24 with an anticipated prize payout is shown below and applies to all Product Group members with respect to the Jackpot Prize and will apply for all Product Group members for the second through ninth level prizes. The following table sets forth the probability~~odds~~ of winning and the probable distribution of winners in and among each prize category for ~~winning~~Mega Millions plays sold by party lotteries, based upon the total number of possible combinations in Mega Millions~~2.4~~.

~~Probability Distribution (see uploaded table). All prize payouts are made with the following expected prize payout percentages, which does not include any additional amount contributed to or held in prize reserves, although the prize payout percentages per draw may vary:1~~

(2) Multiplier frequency and odds: The multiplier shall apply to all prize levels except the Jackpot Prize. The multiplier increases non-Jackpot Prizes by two times, three times, four times, five times, or ten times the prize won. The multiplier shall print directly on, or be applied to each play on a ticket. Multipliers may repeat due to the frequency and limited Multiplier levels as shown below. The multiplier frequency and odds are as follows:

Statutory/Other Authority: ORS 190, 461, OR Const. Art. XV, Sec. 4(4)r Const, Art XV, 4(4)(a), ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300

Statutes/Other Implemented: ORS 461r Const, Art XV, 4, ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300

RULE ATTACHMENTS MAY NOT SHOW CHANGES. PLEASE CONTACT AGENCY REGARDING CHANGES.

177-098-0050**Prize Structure***Proposed to be effective 4/5/25*

- (1) **Prize Structure:** The matrix of 5/70 and 1/24 with an anticipated prize payout is shown below and applies to all Product Group members with respect to the Jackpot Prize and will apply for all Product Group members for the second through ninth level prizes. The following table sets forth the odds of winning and the probable distribution of winners in and among each prize category for Mega Millions plays sold by party lotteries, based upon the total number of possible combinations in Mega Millions. All prize payouts are made with the following expected prize payout percentages, which does not include any additional amount contributed to or held in prize reserves, although the prize payout percentages per draw may vary:

Match Field 1	Match Field 2	Odds	Prize Category	Base Prize	% of Sales	% of Payout
5	1	290,472,336.0000	Jackpot	Jackpot	27.6305%	55.2610%
5	0	12,629,232.0000	Second	\$1,000,000	4.7509%	9.5018%
4	1	893,761.0338	Third	\$10,000	0.6713%	1.3426%
4	0	38,859.1754	Fourth	\$500	0.7720%	1.5440%
3	1	13,965.0162	Fifth	\$200	0.8593%	1.7186%
3	0	607.1746	Sixth	\$10	0.9882%	1.9764%
2	1	665.0008	Seventh	\$10	0.9023%	1.8046%
1	1	85.8066	Eighth	\$7	4.8947%	9.7894%
0	1	35.1666	Ninth	\$5	8.5308%	17.0616%
TOTAL		1:23.0737			50.0000%	100.0000%

- (2) **Multiplier frequency and odds:** The multiplier shall apply to all prize levels except the Jackpot Prize. The multiplier increases non-Jackpot Prizes by two times, three times, four times, five times, or ten times the prize won. The multiplier shall print directly on, or be applied to each play on a ticket. Multipliers may repeat due to the frequency and limited Multiplier levels as shown below. The multiplier frequency and odds are as follows:

10X	1	32.0000
5X	2	16.0000
4X	4	8.0000
3X	10	3.2000
2X	15	2.1333
Field of:	32*	3.00 **

*Total of frequencies

**Average multipliers value

Statutory/Other Authority: [Or Const, Art XV, § 4\(4\)\(a\)](#), [ORS chapter 190](#), [ORS 461.120](#), [461.210](#), [461.220](#), [461.230](#), [461.240](#), [461.250](#), [461.260](#) & [461.300](#)

Statutes/Other Implemented: [Or Const, Art XV, § 4](#), [ORS chapter 190](#), [ORS 461.120](#), [461.210](#), [461.220](#), [461.230](#), [461.240](#), [461.250](#), [461.260](#) & [461.300](#)

RULE SUMMARY: The Lottery is proposing to amend OAR 177-098-0060. This rule explains how prizes are paid to winners in the Mega Millions game. The proposed changes align with MUSL rules. Most changes are to terminology and are not substantive in nature, such as changing "lump sum payment" to "cash value option," and otherwise aligning with the exact wording used in the MUSL rules. The Lottery may make other or alternative changes in response to information or public comment received during the rulemaking process. The Lottery may also make non-substantive edits, such as to update statutory and rule citations; remove registered trademark symbols; improve grammar, organization, or ease of reading; or otherwise improve the clarity and accuracy of the rule.

CHANGES TO RULE:

177-098-0060

Prize Payment ¶

- (1) Selection of Payment Type: Mega Millions Jackpot Prizes shall be paid, at the election of the player made no later than 60 days after validation of the prize, with either a per winner annuity or single lump sum cash payment. If the payment election is not made by the player within 60 days after validation, then the prize shall be paid as an annuity prize. ~~The election to take the single lump sum payment may be made at the time of validation of the prize claim or within 60 days thereafter.~~ An election made after validation is final and cannot be revoked, withdrawn, or otherwise changed.¶
- (2) Share of the Jackpot Prize: Shares of the Jackpot Prize shall be determined by dividing the amount available in the Grand Jackpot Prize Pool equally among all tickets with winning game plays of the Jackpot Prize in all participating lotteries. The prize money allocated from the current Mega Millions Grand Prize Pool for the Jackpot Prize, ~~plus any previous portions of prize money allocated to the Jackpot Prize category in which no matching tickets were sold~~ Mega Millions Jackpot Prize will be divided equally among all Mega Millions Jackpot Prize winning ticket plays in all participating lotteries.¶
- (3) Lump Sum Payment: Jackpot Cash Value Option: ~~In the event of a prize winner(s) who select a lump sum payment (s the cash value option) shall be paid their share(s) in a single lump sum payment. The lump sum payment amount shall be determined by the Mega Millions lotteries. The lump sum payment shall be paid, the prize winner's share shall be paid in a single payment upon completion of all internal validation procedures. Prize payments may be rounded down to the nearest \$1,000~~ The cash value option shall be determined by the Mega Millions lotteries.¶
- (4) Initial and Annual Annuitized Payments: ~~All~~ If an annuitized prize is chosen, it shall be paid in 30 consecutive graduated annual payments. The annuity option Jackpot Prize amount will be paid in thirty graduated annual installment installments by the Lottery, with graduated annual installments as defined by the Mega Millions Lotteries in the Mega Millions Finance and Operations Procedures. The initial payment shall be paid upon completion of all internal validation procedures. The subsequent twenty-nine (29) payments shall be paid ~~graduated~~ annually to coincide with the month of the Federal auction date at which the bonds were purchased to fund the annuity, with graduated annual installments defined in the Mega Millions Lotteries' Finance and Operations Procedures. Payments shall escalate by a factor of five percent annually, and annual payments shall be rounded down to the nearest even one thousand dollar increment. All such payments shall be made within seven (7) days of the anniversary of the annual auction date.¶
- (5) Jackpot Prizes and Increases: The Mega Millions ~~L~~ otteries may set a minimum guaranteed annuity Jackpot Prize amount, ~~which that~~ shall be advertised by the selling lotteries as the starting guaranteed annuity Jackpot Prize amount.¶
- (6) Roll-Over of Jackpot Prize: If, in any Mega Millions drawing there are no Mega Millions plays ~~which that~~ qualify for the Mega Millions Jackpot Prize category, the portion of the prize fund allocated to such Jackpot Prize category shall remain in the Mega Millions Jackpot Prize category and be added to the amount allocated for the Mega Millions Jackpot Prize category in the next consecutive Mega Millions drawing.¶
- (7) Funding the Annuity: Funds for the initial payment of an annuitized prize or ~~the lump sum cash value option~~ prize shall be made available by MUSL for payment by the Party Lottery on a schedule approved by the Product Group. If individual shares of the ~~Grand~~ Mega Millions ~~Jackpot~~ Prize ~~p~~Pool funds held to fund an annuity is less than \$250,000, the Product Group, in its sole discretion, may elect to pay the winners their share of the cash held in the ~~Grand~~ Mega Millions ~~Jackpot~~ Prize Pool. Neither MUSL nor the party lotteries shall be responsible or liable for changes in the advertised or estimated annuity prize amount and the actual amount purchased after the prize payment method is actually known to MUSL.¶
- (8) Lack of Available Funds: If necessary, when the due date for the payment of a prize occurs before the receipt of

funds in the prize pool trust sufficient to pay the prize, the transfer of funds for the payment of the full ~~lump-sum~~ cash value option amount may be delayed pending receipt of funds from the Party Lotteries or other lotteries participating in the Mega Millions Game. A Party Lottery may elect to make the initial payment from its own funds after validation, with notice to MUSL.¶

(9) Death of Winner: In the event of the death of a lottery winner during the annuity payment period, unless prohibited by state law, the MUSL Finance & ~~Audit~~ Committee, in its sole discretion excepting a discretionary review by the Product Group, upon the petition of the estate of the lottery winner (the "Estate") or the persons identified on the winner's Beneficiary Designation form (BDF), whichever is applicable, to the state lottery of the state in which the deceased lottery winner purchased the winning ticket, and subject to applicable federal, state, or district laws, may make payment to the Estate or the designated beneficiary of the discounted present value of the remaining annuitized prize payments. If such a determination is made, then securities and/or ~~amounts~~ cash held to fund the deceased lottery winner's annuitized prize may be distributed to the Estate or the persons on the BDF. The identification of the securities to fund the annuitized prize is at the sole discretion of the Finance & ~~Audit~~ Committee or the Product Group.¶

(10) No Recourse: If a party lottery purchases or holds the prize payment annuity for a prize won in that jurisdiction, that party lottery's game rules, and any prize payment agreement with the prize winner, shall indicate that the prize winner has no recourse ~~on~~ against MUSL or any other party lottery for payment of that prize.¶

(11) Prize Payments: All prizes are paid through the Lottery that sold the winning ~~ticket~~ play(s), and at the discretion of the Selling Lottery may be paid by cash, check, warrant, or electronic transfer. The Lottery may begin paying set or low-tier prizes after receiving authorization to pay from the MUSL central office.¶

(12) Rounding of Prize Payments: Annuitized payments of the Mega Millions Jackpot Prize or a share of the Mega Millions Jackpot Prize may be rounded to facilitate the purchase of an appropriate funding mechanism. Breakage on an annuitized Mega Millions Jackpot Prize win shall be added to the first payment to the winner or winners. Prizes other than the Jackpot Prize ~~which that~~, under these rules, may become single-payment, pari-mutuel prizes, may be rounded down so that prizes can be paid in multiples of whole dollars. Breakage resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.¶

(13) One Prize per Game Play: The holder of a winning ~~ticket~~ Mega Millions play may win only one (1) prize per ~~game~~ play in connection with the winning numbers drawn, for the Mega Millions game and shall be entitled only to the prize won by those numbers in the highest matching prize category.¶

(14) Liability Discharged Upon Payment: All liability for a Mega Millions (2) prize is discharged upon payment of a prize claim.¶

(14.5) Claim Expires in One Year: Claims for all prize categories, including the Jackpot Prize, shall be submitted within one year after the date of the drawing in accordance with this division of rules, OAR 177-046-0110, and 177-070-0025(4).

Statutory/Other Authority: ~~ORS 190, OR~~ Const., Art. XV, Sec. ~~4(4), 461~~ 4(4)(a), ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300

Statutes/Other Implemented: ~~ORS 461r~~ Const, Art XV, 4, ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300

RULE SUMMARY: The Lottery is proposing to amend OAR 177-098-0070. This rule explains the Lottery's ticket validation requirements, meaning how Lottery determines if a winning ticket is valid. The proposed changes align with the wording used in the MUSL rules. (For example, where our rules use "ticket," the MUSL rules used "play," so we aligned when appropriate.) The Lottery may make other or alternative changes in response to information or public comment received during the rulemaking process. The Lottery may also make non-substantive edits, such as to update statutory and rule citations; remove registered trademark symbols; improve grammar, organization, or ease of reading; or otherwise improve the clarity and accuracy of the rule.

CHANGES TO RULE:

177-098-0070

Ticket Validation ¶

(1) Validation Requirements: To be a valid ~~ticket~~play and eligible to receive a prize, a ~~Mega Millions~~play's ticket shall satisfy all the requirements established by Lottery for validation of winning ~~Mega Millions~~ticket~~plays~~ sold through Lottery's computer gaming system and any other validation requirements adopted by the Product Group, the MUSL Board, and ~~any other requirements~~ published as the Confidential MUSL Minimum Game Security Standards. The Lottery and MUSL are not responsible for ~~tickets which~~plays that are altered in any manner (or which fail to print except as provided in OAR 177-098-0020(4)). When a winning ~~Mega Millions~~ticket is submitted to the Lottery for validation along with the Lottery's completed claim form, and the Lottery has initiated the validation procedures, the Lottery retains possession of the winning ticket and claim form.¶

(2) Mega Millions[®] Ticket Required: Under no circumstances will a claim be paid for either the Jackpot Prize or a lower tier set prize without an official Mega Millions[®] ticket matching all game play, serial number and other validation data residing in Lottery's computer gaming system and such ticket shall be the only valid proof of the wager placed and the only valid receipt for claiming or redeeming such prize.¶

(3) Additional Validation Requirements: In addition to the validation requirements set forth in sections (1) and (2) of this rule, in order to be deemed a valid, winning Mega Millions[®]~~ticket~~play, all of the following conditions must be met:¶

(a) The validation data must be present in its entirety and must correspond, using the computer validation file, to the number selections printed on the ticket for the drawing date(s) printed on the ticket;¶

(b) The ticket must be intact;¶

(c) The ticket must not be mutilated, altered, reconstituted, or tampered with in any manner;¶

(d) The ticket must not be counterfeit or an exact duplicate of another winning ticket;¶

(e) The ticket must have been issued by a Lottery retailer authorized to sell Mega Millions[®] tickets and printed on paper in compliance with MUSL Rules;¶

(f) The ticket must not have been stolen, to the knowledge of the Lottery;¶

(g) The ticket must be submitted for payment in accordance with these rules.¶

(h) The ~~ticket~~play data must have been recorded on the Lottery's computer gaming system prior to the drawing and the ~~ticket~~play data must match this computer record in every respect. In the event of a contradiction between information as printed on the ticket and as accepted by the Lottery's computer gaming system, the wager accepted by the Lottery's computer gaming system shall be the valid wager;¶

(i) The player or computer pick number selections, validation data and the drawing date(s) of an apparent winning ticket must appear on the official file of winning ~~ticket~~plays, and a ~~ticket~~play with that exact data must not have been previously paid;¶

(j) The ~~ticket~~play must not be misregistered, defectively printed, or printed or produced in error to an extent that it cannot be validated by the Lottery;¶

(k) The ~~ticket~~play must pass validation tests using a minimum of three of the five validation methods as defined in the ~~Mega Millions~~[®] Finance and Operations Procedures, Section 15 for Mega Millions. In addition, the ~~ticket~~play must pass all other confidential security ~~check~~requirements of the Lottery;¶

(l) In submitting a ~~Mega Millions~~[®]~~ticket~~play for validation, the claimant agrees to abide by applicable laws, all rules and regulations, instructions, conditions and final decisions of the Lottery Director;¶

(m) There must not be any other breach of these Mega Millions[®] Rules in relation to the ~~ticket, which~~play that, in the opinion of the Lottery Director, justifies invalidation; and¶

(n) The ~~ticket~~play must be submitted to the Lottery.

Statutory/Other Authority: Or Const, Art XV, [§] 4(4)(a), ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300

Statutes/Other Implemented: Or Const, Art XV, § 4, ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300

AMEND: 177-098-0080

RULE SUMMARY: The Lottery is proposing to amend OAR 177-098-0080. This rule explains that tickets are bearer instruments, that winners are determined using the certified numbers drawn in the Mega Millions drawing, and that neither the Lottery, nor MUSL, is responsible for winning numbers reported in error. This rule is proposed to be amended to align more closely with the wording used in the MUSL rules, including clarifying that Lottery is not responsible for plays redeemed in error by a retailer. The Lottery may make other or alternative changes in response to information or public comment received during the rulemaking process. The Lottery may also make non-substantive edits, such as to update statutory and rule citations; remove registered trademark symbols; improve grammar, organization, or ease of reading; or otherwise improve the clarity and accuracy of the rule.

CHANGES TO RULE:

177-098-0080

Ticket Responsibility ¶

(1) General: Until such time as a signature is placed in the area designated for signature, a Mega Millions[®] ticket is owned by the bearer of the ticket. MUSL, the Product Group, and the Lottery are not responsible for lost or stolen ticket~~plays~~. ¶

(2) Reporting Errors: Winners are determined by the numbers drawn and certified by the independent auditor responsible for auditing the Mega Millions[®] draw. Neither the Lottery, nor MUSL is responsible for Mega Millions[®] winning numbers reported in error. ¶

(3) The Lottery is not responsible to a prize claimant for plays redeemed in error by a retailer.

Statutory/Other Authority: ~~ORS 190, 461, OR Const. Art. XV, Sec. 4(4)~~ Const, Art XV, § 4(4)(a), ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300

Statutes/Other Implemented: ~~ORS 461~~ Const, Art XV, § 4, ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300

RULE SUMMARY: The Lottery is proposing to amend OAR 177-098-0090 about people who are ineligible to play Mega Millions. The rule is proposed to be amended to align with MUSL's rules on ineligible players. MUSL's ineligibility rules for Mega Millions are different than for Powerball, in that some ineligible players are ineligible in all jurisdictions, not just the one in which they reside. For example, an Oregon Lottery employee cannot play Mega Millions in other jurisdictions, even though they could play Powerball in, for example, Washington. The Lottery may make other or alternative changes in response to information or public comment received during the rulemaking process. The Lottery may also make non-substantive edits, such as to update statutory and rule citations; remove registered trademark symbols; improve grammar, organization, or ease of reading; or otherwise improve the clarity and accuracy of the rule.

CHANGES TO RULE:

177-098-0090

Ineligible Players ¶

- (1) General: A Mega Millions[®] game ticket may not be purchased by and a prize may not be paid to, a member of the Lottery Commission, the director, the assistant directors or any employee of the Lottery, or to any spouse, child, brother, sister, or parent of such person.¶
- (2) MUSL Restrictions: A ~~Mega Millions[®] game ticket~~play or share for a MUSL game issued by the MUSL or any of its Party Lotteries shall not be purchased by, and a prize won by any such ~~ticket~~play or share shall not be paid to:¶
- (a) A MUSL employee, officer, or director;¶
- (b) A contractor or consultant under agreement with the MUSL to review the MUSL audit and security procedures;¶
- (c) An employee of an independent accounting firm under contract with MUSL to observe drawings or site operations and actually assigned to the MUSL account and all partners, share-holders, or owners in the local office of the firm; or¶
- (d) An immediate family member (parent, stepparent, child, stepchild, spouse, or sibling)or any person residing in the same household of an individual described in subsections (a) through (c) of this section and residing in the same household.¶
- (3) A play or share of the Mega Millions game may not be purchased in any lottery jurisdiction by any Party Lottery board member, commissioner, officer, or employee; or a spouse, child, brother, sister, or parent residing as a member of the same household in the principal place of residence of any such person. Prizes shall not be paid to any persons prohibited from playing Mega Millions in a particular jurisdiction by rules, governing law, or any contract executed by the selling lottery.
- Statutory/Other Authority: ~~ORS 190.461, OR Const. Art. XV, Sec. 4(4)~~r Const. Art XV, § 4(4)(a), ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300
- Statutes/Other Implemented: ~~ORS 461~~r Const. Art XV, § 4, ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300

RULE SUMMARY: The Lottery is proposing to amend OAR 177-098-0100. This rule explains the laws and rules that apply to the Mega Millions games. The Lottery is proposing to amend the rule to align the rule more closely with the language and organization used in a similar provision in the MUSL rules. The Lottery may make other or alternative changes in response to information or public comment received during the rulemaking process. The Lottery may also make non-substantive edits, such as to update statutory and rule citations; remove registered trademark symbols; improve grammar, organization, or ease of reading; or otherwise improve the clarity and accuracy of the rule.

CHANGES TO RULE:

177-098-0100

Applicable Law ¶¶

(1) General: In purchasing a ~~Mega Millions~~ game ticket issued by the Lottery, or attempting to claim a prize, purchasers and prize claimants agree to comply with and be bound by all applicable statutes, administrative rules and ~~procedure, regulations, procedures, and decisions~~ of the Lottery and MUSL, including all applicable provisions in the Mega Millions Finance and Operations Procedures, and by all directives and determinations of the Lottery Director. A purchaser or prize claimant agrees, as the purchaser or prize claimant's sole and exclusive remedy, that claims arising out of a ~~Mega Millions~~ ticket play issued by the Lottery can be pursued only against the Lottery and not any other Party Lottery or against MUSL. Litigation, if any, shall be maintained only within the State of Oregon. No claim shall be made against any other participating Lottery or against MUSL. ¶¶

~~(2) Final Determinations: All decisions made by the Lottery Director, including the declaration of prizes and the payment thereof and the interpretation of the Mega Millions game rules and procedures, are final and binding on all purchasers of tickets issued by the Lottery and on every person making a prize claim in respect thereof.~~ Nothing in these rules shall be construed as a waiver of any defense or claim that the Lottery, any other participating lottery, or MUSL may have in any litigation, including in the event a purchaser or person making a claim pursues litigation against the Lottery Commission, the Lottery, any other participating Lottery, or MUSL, or their respective officers, directors, or employees. ¶¶

(2) Final Determinations: All decisions made by the Lottery Director, including the declaration of prizes and the payment thereof and the interpretation of the Mega Millions game rules and procedures, are final and binding on all play purchasers and on every person making a prize claim in respect thereof. ¶¶

~~(3) Unclaimed Prize: No prize shall be paid upon a ticket play purchased, claimed, or sold in violation of the statutes, or rules and the laws, rules, regulations, procedures, and decisions of the Lottery or MUSL's Mega Millions Group Rules effective October 18, 2016. Any such prize claimed but unpaid shall constitute an unclaimed prize under the statutes, rules, procedures, and decisions of the Lottery and shall be allocated to the benefit of the public purpose.~~

~~Statutory/Other Authority: ORS 190.461, OR Const. Art. XV, Sec. 4(4)~~ Stat. Art XV, ¶ 4(4)(a), ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300

~~Statutes/Other Implemented: ORS 461, Const. Art XV, ¶ 4, ORS chapter 190, ORS 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, 461.260, 461.300~~

RULE SUMMARY: The Lottery is proposing to repeal OAR 177-098-0110. This rule explains how the Megaplier works in the Mega Millions game. However, as explained in the statement of need, MUSL is rolling out changes to the Mega Millions game in April 2025, including replacing the Megaplier promotion with a multiplier that will be applied to all ticket purchases. Therefore, this rule is no longer applicable. The provisions that apply to the new multiplier feature are provided in other rules described in this notice such as OAR 177-098-0020 and 177-098-0050.

CHANGES TO RULE:

~~177-098-0110~~

~~Megaplier²~~

- (1) General: The Mega Millions² Megaplier² promotion is an optional, limited extension of the Mega Millions² Game described in OAR Division 98. The Lottery Director, in the Lottery Director's sole discretion and based on agreements with MUSL, is authorized to initiate and terminate the Megaplier² option.^{¶¶}
- (2) Set Prizes Only: Megaplier² offers to the owner of a qualifying play a chance to multiply or increase the amount of any of the lump sum Set Prizes (the prizes normally paying \$2 to \$1,000,000) won in a drawing held during the promotion. The Jackpot Prize is not a Set Prize and will not be multiplied or increased by means of the Megaplier² promotion.^{¶¶}
- (3) Qualifying Play: A qualifying Megaplier² option play is any single Mega Millions² Play for which the player selects the Megaplier² option on either the Play Slip or by selecting the Megaplier² option through a clerk-activated or player-activated terminal, pays one extra dollar for the Megaplier² option play, and which is recorded at the Party Lottery's computer gaming system as a qualifying Megaplier² play.^{¶¶}
- (4) Prizes to be Increased: Except as provided in these rules, a qualifying Megaplier² play which wins one of the lump sum Set Prizes will be multiplied by the number drawn (either 2, 3, 4, or 5), in a separate random Megaplier² drawing announced in a manner determined by the Product Group.^{¶¶}
- (5) Selection of Multiplier²: MUSL will either itself conduct, or authorize a U.S. Lottery to conduct on its behalf, a separate random Megaplier² drawing. Before each Mega Millions² drawing a single number (2, 3, 4, or 5) shall be drawn. The Mega Millions² Product Group may change one or more of the multiplier features for special promotions from time to time. In the event the Megaplier² drawing does not occur prior to the Mega Millions² drawing, the multiplier number will be a 5, which shall solely be determined by the lottery authorized to conduct the Megaplier² drawing.^{¶¶}
- (6) Megaplier² Prize Pool:^{¶¶}
- (a) General: The Megaplier² Prize Pool has been established by the Product Group and is used to fund Megaplier² prizes. The Megaplier² Prize Pool holds the temporary balances that may result from having fewer than expected winning Megaplier² plays. The source of the Megaplier² Prize Pool consists of the Party Lotterys' weekly prize contributions less actual Megaplier² Prize liability.^{¶¶}
- (b) Percentage: Up to fifty-five percent of each drawing period's sales, as determined by the Product Group, shall be collected for the payment of Megaplier² prizes.^{¶¶}
- (c) Prize Payout: Prize payout percentages may vary. The Megaplier² Prize Pool shall be carried forward to subsequent draws if all or a portion of it is not needed to pay the Megaplier² prizes awarded in the current draw and held in the Megaplier² Prize Pool.^{¶¶}
- (d) End of Game: Any amount remaining in the Megaplier² Prize Pool when the Product Group declares the end of this game shall be returned to the lotteries participating in the Megaplier² Prize Pool after the end of all claim periods of all Selling Lotteries, carried forward to a replacement game, or expended in a manner at the election of the individual members of the Product Group in accordance with jurisdiction law.^{¶¶}
- (7) Expected Prize Payout: Except as otherwise provided in these rules, all prizes awarded shall be paid as lump sum Set Prizes. Instead of the Mega Millions² Set Prize amounts, qualifying Megaplier² plays will pay the amounts shown below when matched with the Megaplier² number drawn:^{¶¶}
- Megaplier² Prize Amount with Megaplier² Purchase (see uploaded table)^{¶¶}
- In certain rare instances, the Mega Millions² Set Prize amount may be less than the amount shown. In such case, the Megaplier² prizes will be a multiple of the changed Mega Millions² prize amount announced after the draw. For example, if the Match 4+1 Mega Millions² Set Prize amount of \$10,000 becomes \$2,000 under the rules of the Mega Millions² game, then a Megaplier² player winning that prize amount with a 4X multiplier would win \$8,000 (\$2,000 x 4).^{¶¶}
- (8) Probability of Winning: The following table sets forth the probability of the various Megaplier² numbers being drawn during a single Mega Millions² drawing. The Product Group may elect to run limited promotions that may modify the multiplier features.^{¶¶}

Megaplier² See uploaded table¶¶

(9) Prize Pool Carried Forward: The prize pool percentage allocated to the Megaplier² Set Prizes shall be carried forward to subsequent draws if all or a portion of it is not needed to pay the Set Prizes awarded in the current draw or may be held in a prize reserve account.¶¶

(10) Pari-Mutuel Prizes – All Prize Amounts: Except as otherwise provided in OAR 177-098-0110(10)(c):¶¶

(a) Available Resources: If the total of the original Mega Millions² Set Prizes and the Megaplier² prize amounts awarded in a drawing exceeds the percentage of the prize pools allocated to the Set Prizes, then the amount needed to fund the Set Prizes (including the Megaplier² prize amounts) awarded shall be drawn from the following sources, in the following order:¶¶

(A) The amount available in the Set Prize Pool and the Megaplier² Prize Pool, if any.¶¶

(B) An amount from the Mega Millions² Prize Reserve Account, if available in the account, not to exceed \$40,000,000 per drawing.¶¶

(b) Pari-Mutuel Conversion: If, after these sources are depleted, there are not sufficient funds to pay the Set Prizes awarded (including Megaplier² prize amounts), then the highest Set Prize (including the Megaplier² prize amounts) shall become a pari-mutuel prize. If the amount of the highest Set Prize, when paid on a pari-mutuel basis, drops to or below the next highest Set Prize and there are still not sufficient funds to pay the remaining Set Prizes awarded, then the next highest Set Prize, including the Megaplier² prize amount, shall become a pari-mutuel prize. This procedure shall continue down through all Set Prize levels, if necessary, until all Set Prizes become pari-mutuel prize levels. In that instance, the money available from the funding sources listed in this rule shall be divided among the tickets with winning game plays in proportion to their respective prize percentages. Mega Millions² and Megaplier² prizes will be reduced by the same percentage.¶¶

(c) Independent Calculations: By agreement with the Mega Millions² Lotteries, the Mega Millions² Lotteries shall independently calculate their set pari-mutuel prize amounts, including the Megaplier² prize amounts. The Party Lotteries and the Mega Millions² Lotteries shall then agree to set the pari-mutuel prize amounts for all lotteries selling the game at the lesser of the independently calculated prize amounts.¶¶

(11) Prize Payment: All Megaplier² prizes shall be paid in one single payment through the Party Lottery that sold the winning ticket(s). The Lottery may begin paying Megaplier² prizes after receiving authorization to pay from the MUSL central office.¶¶

(12) Prizes Rounded: Prizes, which under these rules may become pari-mutuel prizes, may be rounded down so that prizes can be paid in whole dollars. Breakage resulting from rounding these prizes shall be carried forward to the Megaplier² Prize Pool for the next drawing.

Statutory/Other Authority: ORS 190, 461, OR Const. Art. XV, Sec. 4(4)

Statutes/Other Implemented: ORS 461

REPEAL: 177-098-0120

RULE SUMMARY: The Lottery is proposing to repeal OAR 177-098-0120. This rule was adopted in 2017 to explain that the Oregon State Lottery had decided not to offer the Mega Millions promotion called “Just the Jackpot.” MUSL is discontinuing this promotion in 2025, so this rule is no longer needed.

CHANGES TO RULE:

~~177-098-0120~~

~~Just the Jackpot™ Promotion~~

~~General: The Mega Millions[®] Just the Jackpot™ promotion is a limited extension of the Mega Millions[®] game and is conducted in accordance with the MUSL Mega Millions[®] Product Group game rules. The Oregon State Lottery Commission has elected not to offer the Just the Jackpot™ promotion. The Just the Jackpot™ promotion will impact the amount of the Jackpot Prize in the Mega Millions[®] game, and participants in the Just the Jackpot™ promotion in other lottery jurisdictions may win the Mega Millions[®] Jackpot Prize.~~

~~Statutory/Other Authority: ORS Chapter 461, Oregon Constitution, Article XV, ⁽²⁾ 4(4)~~

~~Statutes/Other Implemented: ORS 461.210, 461.220, 461.230, 461.240, 461.250~~