NEW YORK STATE GAMING COMMISSION AMENDMENT OF SECTIONS 5007.1, 5007.2 AND 5007.7 AND ADDITION OF SECTIONS 5007.14 OF NEW YORK CODES, RULES AND REGULATIONS TITLE 9, SUBTITLE T, CHAPTER III, SUBCHAPTER A

Pursuant to the authority granted by Section 104 of the Racing, Pari-Mutuel Wagering and Breeding Law and Section 1601, 1604, 1612 and 1617 of the Tax Law, the New York State Gaming Commission hereby promulgates this amendment of Sections 5007.1, 5007.2, and 5007.7 and Addition of Section 5007.14 of Title 9 of the Official Compilation of Codes, Rules and Regulations of the State of New York, to read as follows:

Subdivision (b) of Section 5007.1 is amended as follows:

§ 5007.1. Mega Millions purpose.

(b) During each Mega Millions drawing, [6] six Mega Millions Winning Numbers will be selected from [2] <u>two</u> fields of numbers in the following manner: [5] <u>five</u> winning numbers from a field of [1] <u>one</u> through [56] <u>75</u> numbers, and [1] one winning number from a field of [1] one through [46] <u>15</u> numbers.

Paragraphs (2), (8), and (11) of Subdivision (a) of Section 5007.2 are amended to read as follows:

§ 5007.2. Mega Millions definitions.

(a) The following definitions shall apply to Mega Millions.

(2) *Annuity Option*[.] <u>is</u> [The] <u>the</u> manner in which the Mega Millions Jackpot Prize may be paid in [26] <u>30</u> annual installments.

(8) *Mega Millions Play Area*[, For] <u>is, for</u> the on-line Mega Millions game, the [areas] <u>area</u> on a Mega Millions play slip identified by an alpha character, A through E, containing two separate fields—one field of [56] <u>75</u> and a second field of [46] <u>15</u>—both containing [one or two] <u>one- or two-</u>digit numbers each. This is the area where the player, or computer if the player is using the Quick Pick option, will select five [(5) one] <u>one-</u> or two-digit numbers from the first field[,] and will select one [(1) one] <u>one-</u> or two-digit numbers from the second field.

(11) *Mega Millions Winning Numbers*[. For] <u>are</u>, for the on-line Mega Millions game, five [(5) one] <u>one-</u> or two-digit numbers, from one [(1)] through [fifty-six (56)] <u>75</u> and one [(1) one] <u>one-</u> or two-digit number from one [(1)] through [forty-six (46)] <u>15</u>, randomly selected at each Mega Millions drawing, which shall be used to determine winning Mega Millions plays contained on Mega Millions tickets.

Subdivision (a), clause (i) of subparagraph (4) of subdivision (b) and subdivision (c) of section 5007.7 are amended to read as follows:

§ 5007.7. Prize structure.

(a) For the [on-line] Mega Millions game—Matrix of 5/[56] <u>75</u> and 1/[46] <u>15</u> with 50 Percent Anticipated Prize Fund.

[Match [Field 1	Mate Field		Prize Category	Percentage of] Prize Fund]
[5	1	1:175,711,536.00	Grand	63.60 percent]
[5	0	1:3,904,700.80	Second	12.80 percent]
[4	1	1:689,064.85	Third	2.90 percent]
[4	0	1:15,312.55	Fourth	1.96 percent]
[3	1	1:13,781.30	Fifth	2.18 percent]
[2	1	1:843.75	Sixth	2.38 percent]
[3	0	1:306.25	Seventh	4.58 percent]
[1	1	1:140.63	Eighth	4.26 percent]
[0]	1	1:74.80	Ninth	5.34 percent]
[Reserve]				[0 percent]
[Totals]		[1:39.89]		[100 percent]

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Match Field	Match Field	Odds		% of	
1	2	1 in	Prize	Sales	Level
5	1	258,890,850	JACKPOT	32.577%	1
5	0	18,492,204	\$1,000,000	5.408%	2
4	1	739,688	\$5,000	0.676%	3
4	0	52,835	\$500	0.946%	4
3	1	10,720	\$50	0.466%	5
3	0	766	\$5	0.653%	6
2	1	473	\$5	1.057%	7
1	1	56	\$2	3.542%	8
0	1	21	\$1	4.675%	9
Total		14.71		50.000%	

(b) Jackpot prize payments. For the Mega Millions game:

(4) (i) Annuity option jackpot prizes shall be paid <u>through a 30-year graduated annuity (five percent escalation per payment)</u> in [26] <u>30</u> consecutive annual installments. The initial payment shall be paid upon completion of internal validation procedures. The subsequent [25] <u>29</u> payments shall be paid annually to coincide with the month of the federal auction date at which the bonds were purchased to fund the Annuity. All such payments shall be made within seven days of the anniversary of the annual auction date.

(c) Second- through ninth-level prizes.

(1) Mega Millions Panels matching five [(5)] of the five [(5)] Mega Millions Winning Numbers drawn for Field 1, but not matching the Mega Millions Winning Number drawn for Field 2, shall be entitled to receive a [Second Prize] second prize of \$[250,000] <u>1,000,000</u>.

(2) Mega Millions panels matching four [(4)] of the five [(5)] Mega Millions Winning Numbers drawn for Field 1 and the Mega Millions Winning Number drawn for Field 2 shall be entitled to receive a [Third] <u>third</u> prize of [10,000] 5,000.

(3) Mega Millions panels matching four [(4)] of the five [(5)] Mega Millions Winning Numbers drawn for Field 1 but not matching the Mega Millions Winning Number drawn for Field 2 shall be entitled to receive a fourth prize of [150] <u>500</u>.

(4) Mega Millions panels matching three [(3)] of the five [(5)] Mega Millions Winning Numbers drawn for Field 1 and the Mega Millions winning Number drawn for Field 2 shall be entitled to receive a fifth prize of [150] <u>50</u>.

(5) Mega Millions panels matching [two] three of the five Mega Millions Winning Numbers

drawn for Field 1 [and] <u>but not matching</u> the Mega Millions winning Number drawn for Field 2 shall be entitled to receive a sixth prize of [10] 5.

(6) Mega Millions Panels matching [three (3)] <u>two</u> of the five [(5)] Mega Millions winning numbers drawn for Field 1 [but not matching] <u>and</u> the Mega Millions winning number drawn for Field 2 shall be entitled to receive a [Seventh] <u>seventh</u> prize of [7] 5.

(7) Mega Millions panels matching one of the five Mega Millions winning numbers drawn for field 1 and the Mega Millions winning number drawn for field 2 shall be entitled to receive an eighth prize of [3] 2.

(8) Mega Millions Panels matching no numbers of the five Mega Millions winning numbers drawn for field 1 but matching the Mega Millions winning number drawn for field 2 shall be entitled to receive a ninth prize of [2] <u>1</u>.

Section 5007.14 is added to read as follows:

§ 5007.14, Raffle Game definitions.

(a) The following definitions shall apply to a Raffle Game:

(1) *Bet ticket* means the ticket generated by the computer terminal containing at a minimum a unique multiple-digit number constituting a single play or chance, the drawing date and validation data.

(2) *Commission* means the New York State Gaming Commission established pursuant to Article 1 of the Racing, Pari-Mutuel Wagering and Breeding Law.

(3) *Computer terminal* means the device at the sales agent location authorized by the Gaming Commission for the placing of game bets.

(4) *Draw date* means the date determined by the commission on which the process used to randomly select the winning game numbers takes place for the game.

(5) *Game* means a Raffle Game, which is a Lottery game in which a player purchases a number or numbers generated by the Lottery's gaming computer system.

(6) Gross sales means the value of the tickets eligible for the game.

(7) Lottery or State Lottery means the New York State Division of Lottery established and operated pursuant to Article 34 of the Tax Law and Article 1 of the Racing, Pari-Mutuel Wagering and Breeding Law.

(8) *Manual entry* means the capability of the computer terminal operator to enter the amount of dollars wagered by a player for the game into the terminal in response to verbal or written communication by the player. There is no other method of play at the terminal for the game.

(9) *Raffle Game* means a game played at any sales agent location by purchasing a ticket that will be sold for a limited sales period, in which a number of chances or plays will be offered.

(10) *Prize pool* means those funds available from the game sales or other sources to support the payment of prizes for the game.

(11) Sales period means a period of time starting from the initial sales date of the game tickets as specified by the Director and ending

(i) on the date when all available numbers for such Raffle Game sales period have been sold, or

(ii) a date specified by the Director.

(12) *Ticket* means a Raffle Game ticket produced by the Lottery and sold by a licensed sales agent in an authorized manner containing at a minimum a unique nine-digit number constituting a single play or chance, the drawing date and validation data.

(13) Winning ticket means the ticket bearing the unique numbers randomly selected in the drawing as a winning play.

(b) Sale of Tickets.

(1) The price for a Raffle Game wager shall be determined by the commission prior to the sales period.

(2) Each number shall constitute a single play or chance.

(3) A player shall not select specific game numbers. Numbers shall be generated in an order based on instruction from the gaming central system.

(c) Ticket Price. The price for each Raffle Game wager shall be the price set by the commission.

(d) Drawing.

(1) A Raffle Game drawing will be conducted at a day, time, frequency and location determined by the commission. Winning game numbers are the numbers randomly selected that entitle the legitimate holder of a winning Raffle Game ticket to a prize for which such numbers were drawn. Such winning numbers shall be

(i) randomly selected in accordance with existing Lottery draw procedures and

(ii) announced publicly.

(2) A game number can only be selected once during the draw.

(e) Calculation and payment of prizes.

(1) Prizes levels and amounts for the game shall be determined by the commission prior to the sales period and announced publicly.

(2) The commission may hold a daily drawing for one or more prizes. If the commission chooses to award daily prizes, it will publicly announce such prizes prior to the start of the game. Any number drawn as a daily prize shall remain eligible for the top prize. The holder of a winning bet ticket shall win only one daily prize per winning number.

(3) Prize categories and amounts shall be determined by the commission prior to the sales period.

(f) Probability of Winning. The probability of winning a Raffle Game prize on a single qualifying wager shall be determined by the number of prizes awarded divided by the number of total plays in the drawing. The probability of winning a Raffle Game prize shall be determined by the commission prior to the sales period and announced publicly.

(g) Miscellaneous.

(1) A Raffle Game as described in this section may be, at the discretion of the commission, a multi-state game among other participating government-authorized lotteries or a game sold only by the Lottery. The frequency that a Raffle Game is conducted shall be as determined by the commission. If the Raffle Game is a multi-state game, the commission shall operate such game in compliance with any applicable multi-state agreement.

(2) No claimant will be considered eligible to receive a prize without presentation of a valid winning bet ticket.

(3) The commission reserves the right to change the prize structures, frequency of draws, draw dates or the games themselves.

(4) If, for any reason, a bet ticket is not entirely legible or is misprinted or altered in any way, then the computer record created at the time of sale shall be the sole method of determining whether such ticket is a valid winning ticket.

(5) A bet ticket for a Raffle Game may not be cancelled once issued by the computer terminal. The sales agent, however, may receive credit for any unreadable bet ticket issued, as these tickets (although unreadable) are recorded on the computer file as valid bets. A sales agent's request for credit must be postmarked before the draw date in order to receive credit for any such unreadable bet ticket.
