

1 Minnesota State Lottery

2

3 Adopted Permanent Rules Relating to Prize Payments

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5 Rules as Adopted

6 7857.2000 DISCLOSURE OF PURCHASE.

7 The lottery reserves the right to request a claimant of a  
8 winning ticket to disclose the location or person from whom the  
9 claimant purchased the ticket.

10 7857.2010 TICKETS LOST OR STOLEN.

11 The lottery reserves the right to withhold prize money  
12 pending the findings of an investigation, when the claimed  
13 ticket for that prize has been reported stolen or lost by a  
14 retailer.

15 7857.3000 PURCHASE RESTRICTIONS.

16 Subpart 1. **Lottery employee.** A lottery ticket may not be  
17 purchased by, nor a prize awarded to the director, board member,  
18 employee of the lottery, or any spouse, child, brother, sister,  
19 or parent residing in the same household as the director, board  
20 member, or employee of the lottery.

21 Subp. 2. **Vendor.** A lottery ticket may not be purchased,  
22 or prize awarded, to an officer or employee of a vendor which at  
23 the time the game or drawing was being conducted was involved in  
24 supplying goods or services to the lottery under a lottery  
25 procurement contract as determined by law.

26 Subp. 3. **Minors.** A lottery ticket may not be sold to a  
27 person under the age of 18 years, although a person 18 years old  
28 or older may purchase a ticket for the purpose of making a gift  
29 to a person under 18 years of age.

30 7857.3010 SALES ARE FINAL.

31 All ticket sales are final and no ticket returns may be  
32 accepted by a retailer, except as provided for in game  
33 procedures.

## 1 7857.4000 CLAIM VERIFICATION.

2 The retailer shall verify the information on the claim form  
3 and give a copy of the claim form to the claimant. The retailer  
4 shall forward the winning ticket and the claim form to the  
5 lottery for validation. Upon validation by the lottery, a check  
6 will be forwarded to the claimant in payment of the amount due  
7 subject to the restrictions of payment provided by law. In the  
8 event that the claim is not validated, the claim must be denied  
9 and the claimant will be notified.

## 10 7857.4010 CLAIMING A PRIZE.

11 Subpart 1. **Payment by retailers.** Retailers are authorized  
12 and required to pay instant game prizes as determined by the  
13 game procedures adopted by the director, consistent with the  
14 retailer's security requirements, as approved by the director.

15 Subp. 2. **Claim form.** Prizes over \$1,000 must be paid by  
16 filing a claim form provided by the lottery. The claimant shall  
17 prepare and submit a claim form and the apparent winning ticket  
18 to the retailer or a lottery office for processing.

## 19 7857.4020 INFORMATION TO BE FURNISHED BY CLAIMANT.

20 A potential claimant must complete a claim form, supplying  
21 the required information, and surrender the apparent winning  
22 ticket. The director may require that additional information be  
23 supplied by the claimant as necessary to verify the validity of  
24 the ticket and the identity of the claimant.

## 25 7857.4030 TIME OF PAYMENT.

26 Payment of prizes will be awarded only after a claim has  
27 been filed, verified, fully validated and checks made as  
28 required by law. The claimant must further provide  
29 identification to the satisfaction of the director.

## 30 7857.4040 MANNER OF PAYMENT.

31 Payment of prizes may be by check, draft, or a free ticket.

## 32 7857.4050 DISCHARGE OF LIABILITY.

33 The state and its agents, officers, and employees, the

1 lottery and its agents and employees shall be discharged of any  
2 and all liability upon payment of a prize to the holder of a  
3 winning ticket.

4 7857.5000 OWNERSHIP OF LOTTERY TICKETS.

5 A lottery ticket is considered to be owned by the person  
6 who has physical possession of the ticket until a name is  
7 imprinted or placed on the rear portion of the lottery ticket in  
8 the area designated. When a name is placed in the designated  
9 area, the person whose name appears in that area is the owner of  
10 the ticket and is entitled to any prize attributable to that  
11 ticket. The lottery will only make payment of a prize to the  
12 name on the back of the ticket, notwithstanding any name  
13 submitted on the claim form. If one or more names appear on the  
14 rear of the ticket, one of those persons will be designated to  
15 receive payment by indicating on the claim form and by signature  
16 on the claim form of all other persons whose names appear on the  
17 rear of the ticket. The person or persons appearing for payment  
18 shall be the same as that which appears on the lottery ticket in  
19 the designated area.

20 7857.5010 UNCLAIMED PRIZES.

21 Unclaimed prize money on a winning ticket will be retained  
22 by the lottery for payment to the person entitled to the prize  
23 for one year after the drawing in which the prize was won or for  
24 one year after the announced end of the game. If no claim is  
25 made within that time, the prize money will be used pursuant to  
26 law and the holder of the winning ticket shall have no further  
27 claim to the prize.

28 7857.6000 PRIZES PAYABLE AFTER DEATH OF PRIZE WINNER.

29 Subpart 1. General. All prizes or portions of prizes due  
30 will remain payable at the time of death of the prize winner.  
31 Upon payment as provided under this chapter, the lottery will be  
32 absolved of any further liability. The payment of a prize may  
33 not be accelerated before the normal date of tender or payment  
34 because of the death of the prize winner or for any reason.

1 Subp. 2. Prizes not payable over time. Prizes or a  
 2 portion of a prize not payable over time will be payable to any  
 3 designated beneficiary which the deceased prize winner may  
 4 appoint by will. If the deceased prize winner fails to  
 5 designate any party specifically or by residuary clause, or  
 6 fails to exercise any power of appointment in a will, the  
 7 payment then will be made directly to those parties who would  
 8 succeed to the assets of the deceased prize winner under  
 9 Minnesota Statutes, chapter 524.

10 Subp. 3. Prizes paid over time. All prizes or portions of  
 11 prizes payable over time will be payable to the party designated  
 12 as a beneficiary on the latest valid beneficiary statement filed  
 13 with the lottery. If a winner of a prize or portion of a prize  
 14 dies before completing a valid beneficiary statement or does not  
 15 have a valid beneficiary statement on file with the lottery at  
 16 the time of death, then the prize or portion of the prize will  
 17 be payable according to subpart 2.

18 7857.6010 PAYMENT OF PRIZES TO PERSONS UNDER 18 YEARS OF AGE.

19 ~~If a prize is under \$5,000, the director may make payment~~  
 20 ~~prizes to a person under the age of 18, or to the person's~~  
 21 ~~parent, guardian, or adult member of the person's family. If~~  
 22 ~~the prize is \$5,000 or over, the director shall deposit the~~  
 23 ~~prize with the district court as required by Minnesota Statutes,~~  
 24 ~~section 349A.08, subdivision 3, clause (2). The following~~  
 25 provisions govern the payment of a lottery prize to a person  
 26 under age 18:

27 A. if the prize is less than \$5,000, the director may  
 28 give a draft, payable to the order of the person under age 18,  
 29 to the person's parents, custodial parent if one parent has  
 30 custody, guardian, or other adult member of the person's family;  
 31 and

32 B. if the prize is \$5,000 or more, the director shall  
 33 deposit the prize with the district court and Minnesota  
 34 Statutes, section 540.08, applies to the investment and  
 35 distribution of the money.

1 7857.6020 ASSIGNABILITY OF PRIZES.

2 Prizes in the lottery are not assignable except:

3 A. if the prize winner dies before the prize is paid  
4 the director shall pay the prize as required under law; or

5 B. pursuant to an appropriate court order, which  
6 order shall not include an order issued to enforce or approve an  
7 agreement between a prize winner and any third party where the  
8 prize winner has agreed to transfer future prize payments to a  
9 third party in exchange for consideration.

10 7857.7000 PROMOTIONAL PRIZES.

11 Independently of, or concurrently with, the operation of  
12 the lottery, the director may establish special drawings,  
13 bonuses, or additional prizes. The nature and number of prizes  
14 will be determined by the director. The drawing for promotional  
15 prizes may be held independently of the regular prize drawings  
16 or may be incorporated with those drawings. The director will  
17 make a public announcement to inform the public of the  
18 promotions.