



**Debbs Potts Oregon State Lottery Commission Building**

500 Airport Road SE  
Salem, OR 97301

**OREGON STATE LOTTERY COMMISSION MEETING,  
JULY 25, 2025**

**Lottery Commission:** Marty Ramirez, chair  
Charlie Conrad  
Jennifer Geller  
Jeff Weller

**Director:** Mike Wells

Chair Ramirez called the meeting to order and stated for the record that a quorum of commissioners is present.

Commissioners present at roll call: Commissioners Conrad, Geller, Weller, and Chair Ramirez.

**A. PUBLIC COMMENT**

Chair Ramirez stated that members of the public had the opportunity to provide written public comment and asked the clerk to read the comment that was received.

Topher Welsch expressed concern about a potentially misleading advertisement by Jackpocket related to an Oregon Lottery Scratch-it ticket. Welsch highlighted concerns regarding accuracy, psychological impact, and regulatory compliance, and urged the Commission to consider this situation as a case study during the rulemaking process, with the goal of adopting stricter regulations for lottery couriers.

- Director Wells reported that following receipt of this comment, Jackpocket (a DraftKings company) was contacted and promptly launched an internal investigation, discovering that their ad agency had mistakenly used an incorrect image despite prior reviews. They are actively replacing all affected ads and anticipate full resolution within two weeks; appreciation was expressed to Mr. Welsch for identifying the issue.

**B. DIRECTOR'S REPORT, Exhibits 1-2**

Presenter: Mike Wells, director

**Lottery news**

Director Wells announced the upcoming release of a new Video Lottery Terminal, the Sierra27 by IGT, scheduled for field trials later this summer. Pending successful results, the Sierra27 will replace the current Oxygen terminals in the fall. Key features include new games and some returning favorites from the retired E20 machines, a larger player panel, and integrated cell phone charging capabilities.

The Oregon Lottery received national recognition from the National Council on Problem Gambling, winning in all four categories Lottery entered. Recognitions included:

- The Corporate Social Responsibility Award for the Oregon Lottery program.
- The Public Awareness Award for the “Safer Play” PSA campaign.
- The Multicultural Communications Award for its targeted media outreach.
- The Don Feeney Award for Responsible Gambling Excellence awarded to Stacy Shaw, Senior Manager for Product Marketing.

These awards acknowledge Lottery’s deep commitment and strong partnerships that make this work possible. Director Wells extended congratulations to the team and partners for their outstanding accomplishments.

Director Wells reported that a draft of the preliminary FY25 financial statements was included in the meeting materials (exhibit 1). He noted that the finance team is actively working to finalize the year-end close, and revisions to the statements are expected. The finalized version will be presented for formal approval at next month’s meeting.

### **Winners**

Director Wells shared stories of recent winners:

- Wendy R. of North Bend won \$69,356.50 playing Keno.
- Garret H. of Monmouth won \$19,201.85 playing Big City Five Diamond’s Video Lottery.
- Eric R. won \$1,403 playing Keno in Springfield.

## **C. MINUTES OF THE PREVIOUS MEETING, Exhibit 3**

Presenter: Marty Ramirez, chair

The Commission reviewed the June 27, 2025, Oregon State Lottery Commission meeting draft minutes, which were circulated in advance of the meeting. There were no recommended changes.

Chair Ramirez called for a motion.

Commissioner Conrad moved the minutes of the June 27, 2025, Oregon State Lottery Commission meeting be approved as final, as presented today. Commissioner Geller seconded the motion.

*The motion passed by a 4-0 quorum vote, with Commissioners Conrad, Geller, Weller, and Chair Ramirez voting aye.*

## **D. LEGISLATIVE UPDATE, Exhibit 4**

Presenter: Matt Shelby, senior manager, community and corporate engagement

Shelby provided a summary of the 2025 legislative session, noting the improved relationship which was evidenced by increased requests for information and analysis to inform policy decisions. Shelby reported on two major bills impacting the lottery: Senate Bill 914, which requires adding problem gambling prevention language to billboards, and House Bill 3115, which prohibits the sale of winning lottery tickets and allows winners to remain anonymous. Implementation plans are underway.

- Chair Ramirez asked how HB3315 will be enforced and Shelby said that it will be compliance or complaint driven. Lottery is contacting the known discounters to inform them of the changes and will be amending the attestation information on the winner claim forms.
- Commissioner Conrad asked what happens to the prize money if Lottery is unable to pay a claim due to the change and Shelby said that the funds would be allocated as unclaimed

prizes. Commissioner Conrad asked if this can be tracked and reported on and Shelby replied that it would be a manual process, but it could be done.

## **E. RULEMAKING**

Presenter: Kris Skaro, rules and policy analyst

### **Courier Services, Exhibit 5**

#### **OAR 177-040-0053 and OAR 177-046-0100**

Skaro provided background information on courier services, explaining that couriers are third-party businesses that facilitate ticket orders on behalf of their customers. These couriers acquire physical tickets from authorized Oregon retailers and retain them until the results are determined. While couriers have operated in Oregon for over a decade, their numbers, particularly international ones, have recently grown. To ensure compliance with national draw game rules and gambling laws, Director Wells is recommending rules to establish a regulatory framework for retailers who choose to work with couriers. The proposed rules require retailers to notify Lottery of any courier relationships and verify that couriers adhere to best practices, including age and location restrictions, secure ticket storage, and protection of personal and financial data. Skaro added that the rules will have a short-term fiscal impact and are aligned with several other state lotteries who have adopted similar regulations. Public comments on the proposed rules will be accepted through August, with a follow-up planned for September. **[Note:** The public comment deadline was extended to Oct. 3, 2025, and the proposed effective date was extended to Jan. 1, 2026, after the meeting.]

- Commissioner Conrad raised concerns about the administrative burden these rules might place on small retailers, particularly regarding prescriptive requirements for ticket storage, and asked if these rules were the same for all retailers. Skaro and Director Wells clarified that the rules were based on emerging best practices and were different from standard retailer requirements due to the unique nature of courier services.
- Commissioner Geller emphasized the importance of considering the cost of inaction, noting that noncompliance could jeopardize Oregon's participation in national games and incur intangible costs.

Director Wells added that although courier services have operated in Oregon for years without formal oversight, recent developments have prompted Lottery to propose new regulations. Historically, Lottery maintained a neutral stance due to the limited number of couriers that operated transparently and generally followed industry norms, but a rise in courier activity, broader product offerings, and declining transparency have raised concerns. National and international partners have expressed formal objections, and regulatory gaps in other states have highlighted potential risks. In response, Lottery initiated a comprehensive process involving industry consultation, legal and regulatory analysis, revenue and impact assessments, and stakeholder engagement to develop rules that reinforce Lottery's mandate to ensure fairness, integrity, and security in its operations. Director Wells noted that these proposed changes have already received industry support and thanked the Commission for their consideration.

### **Bulk Ticket Purchases, Exhibit 6**

#### **OAR 177-046-0020 and OAR 177-046-0090**

Lottery is recommending rule changes to prohibit bulk ticket purchases, which is defined as buying more than 50,000 tickets or unique number combinations in a single game or drawing, without prior approval from the Director and Commission. This measure is in response to recent schemes, including a high-profile case in Texas, where foreign investors bought 26 million combinations to secure a \$98 million prize, prompting public backlash and regulatory scrutiny. Although Oregon's internal controls make it a less likely target, the proposed rule serves as a clear deterrent and would allow the Lottery to deny prize payments if such a scheme were discovered. Public comments will be accepted through August, and Skaro will report back in September.

- Commissioner Conrad asked Skaro to review the phrase “working together” to ensure it is legally defensible.

### **HB 3115: Sale or purchase of winning tickets and winner anonymity, Exhibit 7**

#### **OAR 177-046-0090, OAR 177-046-0100, OAR 177-046-0110, OAR 177-046-0130, OAR 177-200-0012, and OAR 177-00-0020**

As Shelby reported, HB 3115 prohibits the purchase or sale of winning tickets, disallows deducting ticket costs from state income taxes, and permits winners to remain anonymous. To implement the bill, which takes effect September 27, the Oregon Lottery is proposing rules that invalidate any ticket or Video Lottery cash slip bought, sold, or claimed in violation of the new law. Lottery is also updating its disclosure rules to reflect the confidentiality provisions and preparing internal procedures to ensure compliance, including outreach to players, staff, retailers, legislators, and media. Public comments will be accepted through August, and Skaro will report back in September.

## **F. MAJOR PROCUREMENT: BRIGHTSTAR GLOBAL SOLUTIONS CORPORATION, Exhibit 8**

Presenter: Mike Wells, director

Director Wells presented a recommendation to initiate a major procurement with Brightstar Global Solutions Corp., formerly IGT, to consolidate current mobile application contracts into a single, comprehensive agreement encompassing development, support, and future enhancements.

The initiative will commence with a Letter of Intent, initiating a 10-week analysis phase during which Brightstar will collaborate with the Lottery to define technical and business requirements for a new convenience mobile application. Contingent upon satisfactory outcomes and additional Commission approval, a Master Service Agreement will be executed to govern implementation, ongoing support, and future development.

The procurement is intended to streamline operations, reduce administrative complexity, and improve the customer experience, particularly in digital claims and payments. It also supports the Lottery's long-term strategic goals by enabling innovation and providing structural flexibility.

Chair Ramirez called for a motion.

Commissioner Geller moved the Oregon State Lottery Commission authorize the director to enter into a major procurement with Brightstar Global Solutions Corporation, for the development and purchase of the mobile app, as presented today. Commissioner Conrad seconded the motion.

*The motion passed by a 4-0 quorum vote, with Commissioners Conrad, Geller, Weller, and Chair Ramirez voting aye.*

## G. STAFF UPDATES

Presenters: Noel Coombes, data scientist; Tina Erickson, manager, lottery products portfolio; Kerry Hemphill, manager, sports betting products; and Sar Richards, manager, video gaming products

### **Financial insights**

Coombes provided an overview of sales, noting that sales were down compared to the previous fiscal year due to smaller tax refunds, smaller jackpot prizes for Powerball and Mega Millions, which were down 45.5 percent and 33.6 percent respectively, and the impact of the Medford casino. Coombes presented the net revenue and transfers comparison to the March 2025 DAS forecast for the fourth quarter and fiscal year-to-date, including the following statistics:

- Net revenue for the quarter was \$353.9 million, 3.6 percent lower than the previous year, and 8.3 percent below the March revenue forecast.
- Net revenue for the fiscal year was \$1,412.7 million, 2.1 percent lower than the previous year, and 4.8 percent below the June 2024 revenue forecast.
- Transfers for the quarter were \$221.3 million, 4.4 percent lower year-over-year, and nine percent below the March forecast.
- Transfers for the fiscal year were \$886.9 million, 2.8 percent lower year-over-year, and 4.9 percent below the June 2024 forecast.
- Year-to-date gross revenue is \$17.1 billion with Video Lottery making up 92.4 percent of gross revenues and 82.4 percent of all net revenue and 91.8 percent of gross revenues went to prize expenses.

### **Product performance quarterly update**

Lottery products – Erickson reported that scratch ticket net revenue for the fourth quarter reached \$13.1 million, marking a 6% increase. The most popular price points remained \$10, \$20, and \$30, with the 40th anniversary game performing exceptionally well, ranking as the top seller over the past 26 weeks. Year-over-year, scratch ticket net revenue increased by approximately 7%.

Erickson also addressed jackpot games and Keno, noting that performance in these categories is closely tied to jackpot levels. While sales were down, Oregon's figures were mid-range compared to other jurisdictions experiencing similar declines. Despite the downturn, jackpot and Keno games generated over \$100 million in net revenue, maintaining their appeal among players. Erickson expressed optimism for a rebound in national game performance.

Video Lottery - Richards provided a quarterly update on Video Lottery, reporting that year-over-year sales for the quarter were \$291 million, down about 5.6 percent for the quarter and about 2.2 percent for the year. Richards attributed the decline to economic factors such as reduced tax returns due to the kicker, layoffs, and broader macroeconomic pressures affecting consumer spending. In response, Lottery is accelerating the removal of E20 terminals, now 10 months ahead of schedule, with final removals expected in August. The rollout of the new Sierra terminals has begun, with successful initial deliveries and field trials scheduled for late August, followed by statewide deployment in September.

Richards highlighted the success of the Rich Little Piggies game, and previewed the upcoming Beaver State Bonus Bonanza game, set to launch during the OSU vs. UO football weekend, emphasizing its entertainment value.

- Commissioner Weller asked if Lottery has considered an Oregon Duck themed game and Richards confirmed that it is being worked on.

- Commissioner Conrad asked if the mobile app will impact Video Lottery sales and Director Wells clarified that the app will support digital claims for prize slips but will not offer Video Lottery gameplay since we are not authorized to offer it on a mobile device at this time.

Sports betting - Hemphill reported that the fourth quarter saw over \$221.2 million in turnover, and \$26 million in gross gaming revenue.

Year-over-year growth included:

- The number of bets placed was up 9.1 percent.
- The turnover was up 5.3 percent.
- The number of unique active customers was up 6.7 percent.
- Gross gaming revenue was up 29.7 percent.

Basketball and baseball were the primary sports, accounting for 62 percent of total wagers and 67 percent of revenue, with basketball generating \$72 million in turnover and \$11 million in gross gaming revenue. Baseball showed exceptional growth with a 68 percent increase in revenue, attributed to higher margin parlay bets, while table tennis numbers improved after a third-party data outage that affected table tennis across the county. The quarter saw 9,448 new customer registrations, though slightly down from last year, with MMA and boxing contributing positively.

#### **H. COMMISSIONER COMMUNICATIONS AND OTHER BUSINESS**

Chair Ramirez asked if there were any additional comments or questions from the Commission.

- Commissioner Geller shared her appreciation for the work Lottery is doing and a personal interest in contributing to clearer public communication about the Lottery's impact.

Chair Ramirez stated that the next monthly commission meeting is scheduled on Aug. 29, 2025, and adjourned the meeting.

The Oregon State Lottery Commission approved these minutes on Aug. 29, 2025.

*Alisa Zavala*

Alisa Zavala (Aug 29, 2025 11:13:41 PDT)

Alisa Zavala, Senior Executive Assistant  
Lottery Director's Office

Approved by:

*Martin Ramirez*

Martin Ramirez (Aug 29, 2025 11:15:53 PDT)

Commissioner Marty Ramirez, Chair  
Oregon State Lottery Commission

*OSL Commission meeting exhibits are available for one year on the [Oregon Lottery's website](#).*