



# Memo

<b>Date:</b>	October 23, 2025
<b>To:</b>	Oregon State Lottery Commissioners
<b>From:</b>	Kris Skaro, rules and policy analyst
<b>Subject:</b>	Motion to Adopt Bulk Ticket Rules (OAR 177-046-0020; 177-046-0090)

## Background:

Lottery proposed rules in July to prohibit bulk ticket purchases, prompted by a high-profile incident in Texas where investors bought nearly all number combinations to secure a \$98 million jackpot. The goal of the rules is to deter similar schemes in Oregon and authorize denial of prize payment if they occur. Other state lotteries have proposed similar measures.

## Rulemaking & Public Comment:

We filed notice with the Secretary of State on July 11, 2025, invited written comment for seven weeks, and held a public rulemaking hearing. Of five commenters, two supported the rules; three suggested the draw game cap could be higher and still meet the stated goal of the rules.

The Public Comment Report and full text of each comment were provided to the Director and Commission for their consideration. The public can read the report and comments on the [rulemaking page](#) of the Lottery's website.

## Lottery's Response:

After review, Lottery recommends capping Scratch-it ticket purchases at no more than 50,000 tickets; limiting draw game purchases to 3% of total number combinations; and defining "acting in concert" to clarify, in response to a Commissioner suggestion, that coordinated purchasing activities are prohibited. Please see enclosed rule text for details.

This approach meets the intent. Three percent is far below the percent needed to guarantee a jackpot prize. Additionally, by using a percentage limit, future game or matrix changes would not require a rule change. This is similar to a recent proposal by the Montana Lottery to cap purchases at 5%.

## Director's Recommendation:

Director Wells recommends adopting the rules as presented here to be effective January 1, 2026.

Thank you, and please reach out to me or Director Wells if you have any questions.

## DRAFT PERMANENT ADMINISTRATIVE ORDER

### CHAPTER 177 OREGON STATE LOTTERY

FILING CAPTION: Prohibiting bulk purchases of Lottery tickets

EFFECTIVE DATE: 01/01/2026

AGENCY APPROVED DATE: Pending Commission Approval 10/31/25

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RULES:

177-046-0020, 177-046-0090

AMEND: 177-046-0020

RULE TITLE: Sale of Lottery Tickets and Shares

RULE SUMMARY: The Lottery is amending OAR 177-046-0020 about the sale of tickets and shares to prohibit bulk ticket purchases unless preapproved by the Commission and Director. Under the amended rule, a bulk ticket purchase is defined as one in which an individual, entity, or group of individuals acting in concert purchase more than 50,000 tickets in the same Scratch-It ticket game or more than 3% of the total possible number combinations in a single drawing.

The Lottery revised OAR 177-046-0020 during the public rulemaking process in response to comments received. The changes from the proposed rule to the final rule are to increase the allowed purchases for draw games and to define "acting in concert" so it's clear what type of coordinated purchasing behavior would violate the rule.

RULE TEXT:

**177-046-0020**

**Sale of Lottery Tickets and Shares**

- (1) General: The Director may contract with retailers for the sale of Lottery tickets and shares. Except as provided in section (3) of this rule, only a retailer under contract with the Lottery may sell Lottery tickets or shares. Nothing in this section shall be construed to prevent a person who lawfully purchases or possesses a Lottery ticket or share from making a gift of such ticket or share to another.
- (2) Retailer Sales Locations: Unless authorized by the Lottery, Lottery tickets or shares may only be sold by a Lottery retailer at the location listed in the retailer contract.

- (3) Lottery Sales: The Lottery may designate its agents or employees to sell Lottery tickets or shares directly to the public, either in person at Lottery Headquarters, digitally through a mobile app or site, at a Lottery kiosk, other locations designated by the Director for the sale of Lottery tickets and shares, or sales by the Lottery through electronic means. For purposes of Lottery's traditional lottery game rules, reference to a "retailer," "Lottery retailer," or "Lottery On-line retailer" includes Lottery sales unless the context or a specially applicable provision indicates otherwise.
- (4) Bulk Ticket Purchases Restricted: Lottery games should not be played for investment purposes. Unless preapproved by the Director and Commission, an individual, entity, or group of individuals acting in concert may not purchase more than 50,000 tickets in the same Scratch-It Ticket game or more than 3% of the total possible number combinations in a single drawing. For purposes of this rule, "acting in concert" includes, but is not limited to, individuals or entities coordinating ticket purchases across one or more retailers or jurisdictions, pooling funds to purchase tickets, or acting on behalf of a common interest or strategy.
- (45) Future Drawings: A player may purchase a ticket or tickets for future consecutive drawings to the extent permitted by the Lottery for each Lottery game. The player must specify at the time of purchase that the ticket or tickets include future consecutive drawings.
- (56) Sales Are Final: Unless otherwise provided in OAR chapter 177, the sale of all Lottery tickets and shares is final. A player may not return a Lottery ticket or share for a refund of the purchase price or exchange unless the specific game rules provide otherwise. The Lottery is not liable for Lottery tickets or shares that are purchased in error.
- (67) Distribution: The Director is authorized to arrange for the direct distribution of Lottery equipment, ticket stock, and supplies shipped directly from the manufacturer or supplier to an authorized retailer.

Statutory/Other Authority: [OR Const. Art. XV § 4\(4\)\(a\)](#) & [ORS 461.020, 461.100, 461.120, 461.210, 461.230, 461.240, 461.250, 461.260 & 461.300](#)

Statutes/Other Implemented: [OR Const. Art. XV § 4\(4\)](#), [ORS 461.020, 461.100, 461.120, 461.210, 461.220, 461.230, 461.240, 461.250, & 461.260 & 461.300](#)

AMEND: 177-046-0090

RULE TITLE: Validation Requirements

RULE SUMMARY: The Lottery is amending OAR 177-046-0090 about prize claim validation requirements to say that a general validation requirement for all tickets and shares is that the ticket or share was not purchased in violation of laws or rules that apply to the Lottery. This language would make a ticket invalid and ineligible for prize payment if it was purchased in bulk in violation of OAR 177-046-0020. (See corresponding amendment to OAR 177-046-0020 described in this Permanent Administrative Order)

RULE TEXT:

**177-046-0090**

**Validation Requirements**

- (1) General: Each type of Lottery game rule may specify unique or additional requirements necessary for validation for that specific game. A ticket or share that is invalid may not be used to claim a prize.
- (2) Requirements: In general, to be a valid Lottery ticket or share:
  - (a) The ticket or share must not be counterfeit, fraudulent, or a forgery in whole or in part or lacking the appropriate captions.
  - (b) The Lottery must have issued the ticket or share in an authorized manner.
  - (c) The ticket or share must not be altered, unreadable, reconstituted, or tampered with in any manner including, but not limited to, the signature area, and must meet all of the Lottery's security requirements.
  - (d) The ticket or share must not appear on any list of omitted, inactive, missing, previously paid, or stolen tickets on file at the Lottery, and, if applicable, the Lottery's Instant Ticket System (ITS) must accept and validate the ticket or share as a winner.
  - (e) The ticket or share must not be blank or partially blank, misregistered, non-scratchable, or printed or produced in error.
  - (f) The ticket or share is subject to all additional confidential validation tests of the Lottery including validation through the Lottery's computer system.
  - (g) The ticket was not purchased or sold in violation of any statutes or rules applicable to Lottery.
- (3) Proof of Play: A Lottery ticket or share is the only proof of a game play or plays and the submission of a winning ticket or share to the Lottery or an authorized retailer is the sole method of claiming a prize or prizes unless otherwise provided in OAR chapter 177. A play slip or a copy of a ticket or share has no pecuniary or prize value and does not constitute evidence of ticket or share purchase or otherwise represent an opportunity to win a prize.

Statutory/Other Authority: [Or Const, Art XV, § 4\(4\)\(a\)](#), [ORS 461.120, 461.210, 461.220, 461.230, 461.250, 461.260, 461.300](#) & [Or Laws 2025, ch. 46](#)

Statutes/Other Implemented: [Or Const, Art XV, § 4\(4\)](#), [ORS 461.190, ORS 461.120, 461.210, 461.220, 461.230, 461.250, 461.260, 461.300](#) & [Or Laws 2025, ch. 46](#)