

NORTH DAKOTA LOTTERY

Underlining represents proposed additions to the present rules
~~Strikethrough~~ represents proposed deletions to the present rules.

ARTICLE 10-16
MULTI-STATE LOTTERY

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CHAPTER 10-16-01
GENERAL RULES

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10-16-01-01. Definitions.

As used in this article:

1. "Achievement reward program" means a marketing strategy that recognizes and incentivizes rewards program members for reaching specific goals within a given time frame.
2. "Applicant's agent" means a general manager, sole proprietor, partner of a partnership, or, for a corporation, an officer or director who is primarily responsible for financial affairs or a shareholder who owns ten percent or more of the common stock, of a business that is applying for or renewing a license. A general manager is an individual who regularly is onsite and primarily responsible and accountable for managing and controlling the day-to-day operation of the business.
3. "Cash voucher" means a voucher generated by the lottery's ~~player-activated~~ self-service terminal that can be validated for cash at the retailer's lottery terminal.
4. "Central gaming system" means a computer system designed to control, monitor, communicate with a terminal, and record play transactions and accounting data.
5. "Draw" means the formal process of randomly selecting winning numbers, letters, or symbols that determine the number of winning plays for each prize level of a game.

6. "Game" means an online game authorized by the lottery.
7. "Game group" means a group of lotteries that have joined together to offer a game on a multi-state basis according to the terms of the MUSL or the game group's rules or both.
8. "Grand prize" means the top prize that can be won in a game.
9. "Group play" means two or more individuals sharing a purchase made.
10. "iLottery play" means the purchase of a draw game play via the internet or mobile application.
11. "Lottery" means the North Dakota lottery.
12. "Mobile payment service" means the use of mobile technology to facilitate transactions for purchasing lottery tickets.
13. "Multi-state lottery" means a lottery game that spans the individual borders of a state, jurisdiction, province, district, commonwealth, territory, or country.
14. "MUSL" means the multi-state lottery association.
15. "North Dakota Lottery Players Club®" means a program that players can join to earn exclusive benefits and rewards.
16. "Pick & Click" means the name of the application used to purchase iLottery plays.
17. "Play" means the numbers, letters, or symbols that are on a ticket or properly and validly registered online play to be played by a player in a draw, excluding a lottery promotion.
18. "Play area" means the area of a play slip that contains one or more sets of numbered squares to be marked by a player for a game. Each play area contains a certain number of numbers, letters, or symbols that correspond to the game.
19. "Play slip" means a physical or electronic means by which a player communicates the player's intended play selection to a retailer or at a player self-service terminal as defined and approved by the lottery.
20. "Player self-service terminal" means a device authorized by the lottery and operated by a player to function in an online, interactive mode with the lottery's central gaming system to receive and process lottery transactions, including the purchase and issuance of a ticket, the validation of a ticket, and the issuance of a cash voucher.
21. "Points for Drawings®" means a program to which players can enter second chance drawings by using points accumulated during registration or from the entry of valid tickets.
22. "Points for Prizes®" means a rewards program from which players can earn points by becoming registered members of the North Dakota Lottery Players Club and entering valid tickets to purchase items from the store.
23. "Quick pick" means the selection of numbers, letters, or symbols by a certified random number generator, which are printed on a ticket or properly and validly registered via iLottery play and played by a player for a draw in a game.
24. "Retailer fraud" means an owner or employee of a licensed retailer who knowingly and intentionally:
 - a. Fails to properly validate a player's winning ticket;
 - b. Fails to pay the player the proper prize amount on a winning ticket;

- c. Fails to provide the player the proper exchange ticket on a winning multi-draw ticket; or
 - d. Performs any other act that causes financial harm to a player in violation of the lottery law or rules.
25. "Set prize" means all prizes, except the grand prize for a game that are to be paid by a single cash payment and, except as provided by rule, will be equal to the prize amount established by the MUSL or the game group or both for the prize level of the game.
 26. "Terminal" means a device authorized by the lottery and operated by a retailer or the lottery to function in an online, interactive mode with the lottery's central gaming system to issue a ticket and enter, receive, and process a lottery transaction, including a purchase, validation of a ticket, and issuance of a report.
 27. "Ticket holder" means an individual who has signed a ticket or possesses an unsigned ticket.
 28. "Top prize" means the highest tier prize that can be won in a game.
 29. "Validation" means the process of determining whether a ticket presented for a prize is a winning ticket.
 30. "Wager account" means the account to which funds are deposited and from which iLottery play purchases are made.
 31. "WebCash voucher" means a digital funding option for iLottery.
 32. "Winning account" means the account to which iLottery play winnings are deposited and from which player withdrawals are made.
 33. "Winning numbers" means the numbers, letters, or symbols randomly selected in a draw to determine a winning play contained on a ticket or properly and validly registered via iLottery play or randomly selected in a lottery promotion to determine a winning prize stated on a ticket or coupon.

History: Effective February 1, 2004; amended effective April 1, 2006; July 1, 2008; July 6, 2014; January 31, 2016; February 1, 2016; October 29, 2017; May 14, 2018; July 1, 2019; July 29, 2025; September 28, 2025; January 1, 2026; July 1, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

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**CHAPTER 10-16-02
RETAILER**

Section

10-16-02-01	License Application and Fee
10-16-02-02	Criteria for Selecting an Applicant
10-16-02-03	Record and Credit Checks
10-16-02-04	Change in Business Location, Ownership, or Name
10-16-02-05	Training
10-16-02-06	Duties
10-16-02-07	Sales Commission and Bonus
10-16-02-08	Bank Account and Electronic Funds Transfer
10-16-02-09	Recordkeeping [Repealed]
10-16-02-10	Denial, Suspension, or Revocation of a License
10-16-02-11	Monetary Fine

10-16-02-07. Sales commission and bonus. (Effective through February 21, 2026)

1. The lottery shall credit a retailer's account for:
 - a. A sales commission of five percent of the retail price of a ticket sold or otherwise issued by the retailer; and
 - b. A sales bonus for selling a ticket with a winning play, for a game as stated below. However, the retailer must be licensed currently when a draw is conducted which results in the winning play of a ticket. If the winning play for POWERBALL® has the Power Play option, or the winning play for LOTTO AMERICA® has the All Star Bonus® option, the retailer's account also must be credited for an additional bonus as stated below:

	<u>Prize</u>	<u>Bonus</u>	<u>Additional Bonus</u>
POWERBALL			
Grand prize		\$50,000	Additional \$50,000 with Power Play
\$1,000,000		\$5,000	Additional \$5,000 with Power Play
\$50,000		\$1,000	Additional \$1,000 with Power Play
MEGA MILLIONS®			
	Base Prize <u>(before multiplier)</u>		
Grand prize		\$100,000	
\$1,000,000		\$10,000	
\$10,000		\$1,000	
LUCKY FOR LIFE®			

\$7,000/week for life	\$25,000
\$25,000/year for life	\$2,500
\$5,000	\$250

2BY2®

Grand prize	
\$22,000	\$500
\$44,000*	\$1,000

*Tuesday draw double grand prize winning play on a qualifying multi-draw ticket.

LOTTO AMERICA

Grand prize	\$5,000 Additional \$5,000 with All Star Bonus
\$20,000	\$500 Additional \$500 with All Star Bonus

2. The lottery may credit a retailer's account for a fixed or graduated sales commission or bonus for a special promotion, including Power Play and All Star Bonus, which the lottery conducts for a certain period of time based on parameters set by the lottery.

Sales commission and bonus. (Effective after February 21, 2026)

1. The lottery shall credit a retailer's account for:
 - a. A sales commission of five percent of the retail price of a ticket sold or otherwise issued by the retailer; and
 - b. A sales bonus for selling a ticket with a winning play, for a game as stated below. However, the retailer must be licensed currently when a draw is conducted which results in the winning play of a ticket. If the winning play for POWERBALL® has the Power Play® option, or the winning play for LOTTO AMERICA® has the All Star Bonus® option, the retailer's account also must be credited for an additional bonus as stated below:

<u>Prize</u>	<u>Bonus</u>	<u>Additional Bonus</u>
POWERBALL		
Grand prize	\$50,000	Additional \$50,000 with Power Play
\$1,000,000	\$5,000	Additional \$5,000 with Power Play
\$50,000	\$1,000	Additional \$1,000 with Power Play
MEGA MILLIONS®		
Base Prize (before multiplier)		
Grand prize	\$100,000	
\$1,000,000	\$10,000	
\$10,000	\$1,000	
MILLIONAIRE FOR LIFE™		
\$1,000,000/year for life	\$50,000	
\$100,000/year for life	\$10,000	

\$7,500	\$500
2BY2®	
Grand prize	
\$22,000	\$500
\$44,000*	\$1,000

*Tuesday draw double grand prize winning play on a qualifying multi-draw ticket.

LOTTO AMERICA

Grand prize	\$5,000 Additional \$5,000 with All Star Bonus
\$20,000	\$500 Additional \$500 with All Star Bonus

2. The lottery may credit a retailer's account for a fixed or graduated sales commission or bonus for a special promotion, including Power Play and All Star Bonus, which the lottery conducts for a certain period of time based on parameters set by the lottery.

History: Effective February 1, 2004; amended effective January 1, 2006; January 3, 2008; January 31, 2010; January 15, 2012; October 19, 2013; July 6, 2014; October 4, 2015; February 25, 2016; October 29, 2017; May 14, 2018; July 1, 2019; April 5, 2025; July 29, 2025; September 28, 2025; January 1, 2026; July 1, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-02, 53-12.1-03, 53-12.1-13

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CHAPTER 10-16-13
MILLIONAIRE FOR LIFE GAME
[Effective after February 21, 2026]

Section	
10-16-13-01	Game Description
10-16-13-02	Prizes and Odds
10-16-13-03	Prize Pool and Payment
10-16-13-04	Prize Liability Limits

10-16-13-01. Game description. (Effective after February 21, 2026)

To play MILLIONAIRE FOR LIFE™, a player selects five different numbers, between one and fifty-eight, and one additional number between one and five. The additional number may be the same as one of the first five numbers selected. The price of a play is five dollars. Draws are held every day of the week.

History: Effective February 22, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-13-02. Prizes and odds. (Effective after February 21, 2026)

The top prize is one million dollars a year for life. Except as provided by rule, a set prize must be paid according to these matches per play and prize amounts:

<u>Matches Per Play</u>	<u>Prize</u>	<u>Odds</u>
5 of 5 + 1	\$1,000,000/year for life*	1:22,910,580
5 of 5	\$100,000/year for life*	1:5,727,645
4 of 5 + 1	\$7,500	1:86,455
4 of 5	\$500	1:21,614
3 of 5 + 1	\$250	1:1,663
3 of 5	\$50	1:416
2 of 5 + 1	\$25	1:98
2 of 5	\$8	1:24
1 of 5 + 1	\$8	1:16

Overall odds of winning a prize on a five dollar play are 1:8.47.

*Prize amounts may be split if there are multiple winners, in accordance with the provisions established in these rules. Split prizes may be lower than the published prize amounts.

History: Effective February 22, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-13-03. Prize pool and payment. (Effective after February 21, 2026)

1. The prize pool for all prize categories consists of approximately fifty-five percent of each draw period's sales.
2. All annuitized payments must be made for a minimum of twenty years.
3. All low-tier set prizes, except the top prize and second prize, must be paid in a single lump sum cash payment.

History: Effective February 22, 2026.

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13

10-16-13-04. Prize liability limits. (Effective after February 21, 2026)

There are nine prize levels in the game.

1. Except as provided in these rules, the top prize must be paid as an annuitized annuity or lump sum cash and based on a top prize liability that will be split equally among the number of winning game tickets/plays. A top prize winner may request the cash option, ~~the amount of which is to be established by the game group for a defined period of drawings.~~ Notice of the amount of and changes to the cash option must be posted on the game's website. Under certain circumstances, as detailed below, the top prize is required to be paid in a single lump sum cash payment and no annuitized payment option is available.
 - a. One top prize winner. If there is one top prize winner, the annuitized prize value is one million dollars a year for life. As an alternative to the annuitized payment option, the top prize winner may request the top prize cash option of eighteen million dollars.
 - b. Two to twenty top prize winners. If there are between two and twenty top prize winners, the annuitized prize option, based on an annuitized prize value of one million dollars a year for life, must be divided by the total number of top prize winners. Any of these two to twenty-~~one~~ top prize winners may choose the cash option as an alternative to the annuitized payment option. The amount of the cash option for this category is the amount of the top prize cash option divided by the total number of top prize winners.
 - c. Twenty-one or more top prize winners. If there are twenty-one or more top prize winners, the top prize liability must be split equally among all top winners and paid in a single lump sum cash payment without an annuitized payment option.
 - d. The winner or winners of the top prize who do not request the cash option must be paid their appropriate top prize share on an annual basis for a minimum period of twenty years. The first top prize payment must be made when the prize is claimed at the lottery's office.
 - e. Measuring life. For a single wager, the measuring life of a top prize winner used to determine the duration over which the top prize is paid, must be the natural life of the individual determined by the lottery to be the top prize winner. If the top prize under a single wager is being claimed by more than one individual or by a trust, the measuring life for that top prize winner must be twenty years.
 - f. If paid in a single lump sum cash payment, top prize amounts must be rounded to the nearest whole dollar.
2. Except as provided in these rules, the second prize ~~winner~~ must be paid as an annuity or lump sum cash and based on a second prize liability that will be split equally among the number of winning game plays ~~one hundred thousand dollars a year for life~~. A second prize winner may

request the cash option, ~~the amount of which is to be established by the game group for a defined period of drawings.~~ Notice of the amount of and changes to the cash option must be posted on the game's website. Under certain circumstances, as detailed below, the second prize is required to be paid in a single lump sum cash payment and no annuitized payment option is available.

- a. One to twenty second prize winners. If there are between one and twenty second prize winners, the annuitized prize value is one hundred thousand dollars per year for life. Any of these one to twenty second prize winners may choose the second prize cash option as an alternative to the annuitized payment option. The amount of the cash option is ~~the amount of the second prize cash option as determined by the selling lottery~~ two million two hundred thousand dollars.
 - b. Twenty-one or more second prize winners. If there are twenty-one or more second prize winners, the second prize liability is capped at an amount determined by the selling lotteries and may be split equally among all second prize winners and paid in a single lump sum cash payment without an annuitized payment option. The minimum prize value for this category may not be less than the lowest tier prize paid in that respective drawing.
 - c. The winner or winners of the second prize who do not request the cash option must be paid their appropriate second prize share on an annual basis for a minimum period of twenty years. The initial second prize payment must be made when the prize is claimed at the lottery's office; subsequent second prize payments must be made annually thereafter.
 - d. Measuring life. For a single wager, the measuring life of a second prize winner used to determine the duration over which the second prize is paid, must be the natural life of the individual determined by the lottery to be the second prize winner. If the second prize under a single wager is being claimed by more than one individual or by a trust, the measuring life for that second prize winner is twenty years.
 - e. If paid in a single lump sum cash payment, second prize amounts must be rounded to the nearest whole dollar.
3. Except as provided in these rules, the third through ninth prize winner must be paid as a set prize. Third through ninth prizes must be rounded to the nearest whole dollar and paid in a single lump sum cash payment in accordance with the information below.
- a. Third prize - \$7,500
 - b. Fourth prize - \$500
 - c. Fifth prize - \$250
 - d. Sixth prize - \$50
 - e. Seventh prize - \$25
 - f. Eighth prize - \$8
 - g. Ninth prize - \$8

Prize liability limits. (Effective after August 31, 2026)

There are nine prize levels in the game.

1. Except as provided in these rules, the top prize must be paid as an annuity or lump sum cash

and based on a top prize liability that will be split equally among the number of winning game plays. A top prize winner may request the cash option. Notice of the amount of and changes to the cash option must be posted on the game's website. Under certain circumstances, as detailed below, the top prize is required to be paid in a single lump sum cash payment and no annuitized payment option is available.

- a. One top prize winner. If there is one top prize winner, the annuitized prize value is one million dollars a year for life. As an alternative to the annuitized payment option, the top prize winner may request the top prize cash option of eighteen million dollars.
 - b. Two to twenty top prize winners. If there are between two and twenty top prize winners, the annuitized prize option, based on an annuitized prize value of one million dollars a year for life, must be divided by the total number of top prize winners. Any of these two to twenty top prize winners may choose the cash option as an alternative to the annuitized payment option. The amount of the cash option for this category is the amount of the top prize cash option divided by the total number of top prize winners.
 - c. Twenty-one or more top prize winners. If there are twenty-one or more top prize winners, the top prize liability must be split equally among all top winners and paid in a single lump sum cash payment without an annuitized payment option.
 - d. The winner or winners of the top prize who do not request the cash option must be paid their appropriate top prize share on an annual basis for a minimum period of twenty years. The first top prize payment must be made when the prize is claimed at the lottery's office.
 - e. Measuring life. For a single wager, the measuring life of a top prize winner used to determine the duration over which the top prize is paid, must be the natural life of the individual determined by the lottery to be the top prize winner. If the top prize under a single wager is being claimed by more than one individual or by a trust, the measuring life for that top prize winner must be twenty years.
 - f. If paid in a single lump sum cash payment, top prize amounts must be rounded to the nearest whole dollar.
2. Except as provided in these rules, the second prize must be paid as an annuity or lump sum cash and based on a second prize liability that will be split equally among the number of winning game plays. A second prize winner may request the cash option. Notice of the amount of and changes to the cash option must be posted on the game's website. Under certain circumstances, as detailed below, the second prize is required to be paid in a single lump sum cash payment and no annuitized payment option is available.
- a. One to ~~twentyseven~~ twentyseven second prize winners. If there are between one and ~~twentyseven~~ twentyseven second prize winners, the annuitized prize value is one hundred thousand dollars per year for life. Any of these one to twenty second prize winners may choose the second prize cash option as an alternative to the annuitized payment option. The amount of the cash option is two million two hundred thousand dollars.
 - b. ~~TwentyoneEight~~ Eight or more second prize winners. If there are ~~twentyoneeight~~ eight or more second prize winners, the second prize liability is capped at ~~an amount determined by the selling lottery~~ fifteen million dollars and may be split equally among all second prize winners and paid in a single lump sum cash payment without an annuitized payment option. The minimum prize value for this category may not be less than the lowest tier prize paid in that respective drawing
 - c. The winner or winners of the second prize who do not request the cash option must be paid their appropriate second prize share on an annual basis for a minimum period of

twenty years. The initial second prize payment must be made when the prize is claimed at the lottery's office; subsequent second prize payments must be made annually thereafter.

- d. Measuring life. For a single wager, the measuring life of a second prize winner used to determine the duration over which the second prize is paid, must be the natural life of the individual determined by the lottery to be the second prize winner. If the second prize under a single wager is being claimed by more than one individual or by a trust, the measuring life for that second prize winner is twenty years.
 - e. If paid in a single lump sum cash payment, second prize amounts must be rounded to the nearest whole dollar.
3. Except as provided in these rules, the third through ninth prize winner must be paid as a set prize. Third through ninth prizes must be rounded to the nearest whole dollar and paid in a single lump sum cash payment in accordance with the information below.
- a. Third prize - \$7,500
 - b. Fourth prize - \$500
 - c. Fifth prize - \$250
 - d. Sixth prize - \$50
 - e. Seventh prize - \$25
 - f. Eighth prize - \$8
 - g. Ninth prize - \$8

History: Effective February 22, 2026. Amended Effective July 1, 2026

General Authority: NDCC 53-12.1-13

Law Implemented: NDCC 53-12.1-13