



**MONTANA
LOTTERY**

COMMISSION MEETING | August 21, 2025

SECURITY & WAREHOUSE

| Bryan Costigan
| Security / Deputy Director

Winners happen! 

Shipping Update

- Rising Shipping Costs
 - Currently spending approximately \$250,000/year.
 - Rates and surcharges continue to rise.
- Search for a New Shipper
 - WPL
 - Currently ships throughout Montana. Already ship for the Idaho and Colorado lotteries.
 - Doing a cost comparison.
 - USPS
 - Costs would be less, but it would take longer to deliver.
- Report back in September

Administrative Rule Addition

- Bulk Ticket Purchases
 - Drafting Rules to Address
 - The purchase of large amounts of tickets by a group or individual to gain a perceived advantage.
 - The buyer teams with a retailer or several retailers to purchase the tickets
 - Lottery has experienced this 3 times in 5 years.
 - Both in scratch and draw games
 - These purchases create the appearance of impropriety, mistrust of the lottery, and an uneven playing field for sales agents.

Administrative Rule Addition

2.63.611 REVOCATION OR SUSPENSION OF LICENSE

- (1) After notice, the director has the authority to provisionally suspend the license and, after a hearing before the commission, permanently revoke the license and endorsement of any person who has:
- (i) intentionally facilitated a bulk ticket transaction with a person or persons acting in concert.***

Administrative Rule Addition

2.63.1201 PRIZES

- (6) The lottery may deny a claim for a winning lottery or sports wager ticket if the ticket:
 - (a) was not legally issued;
 - (b) was stolen;
 - (c) is altered, forged, or so mutilated that its authenticity cannot reasonably be determined; or
 - (d) ***was found to have violated applicable statute or rule, including, but not limited to, restrictions relating to bulk ticket transactions.***

Administrative Rule Addition

NEW RULE 1 [2.63.1008] BULK TICKET TRANSACTIONS

- (1) A "bulk ticket transaction" occurs when any person(s) or organization(s) purchases, in aggregate, lottery tickets exceeding 5% of the total lotto game matrix combinations or 5% of the original print run of a scratch game within a twenty-four (24) hour period. This rule applies regardless of whether the purchase: (a) occurs in a single transaction or multiple transactions; or (b) is made at a single retail location or multiple retail locations. Any such transaction is subject to this restriction. Additionally, the purchase of Montana Lottery tickets by multiple persons acting in concert shall be deemed a bulk ticket transaction. The Lottery can limit the availability of a single game at retail locations.

Administrative Rule Addition

NEW RULE 1 [2.63.1008] BULK TICKET TRANSACTIONS

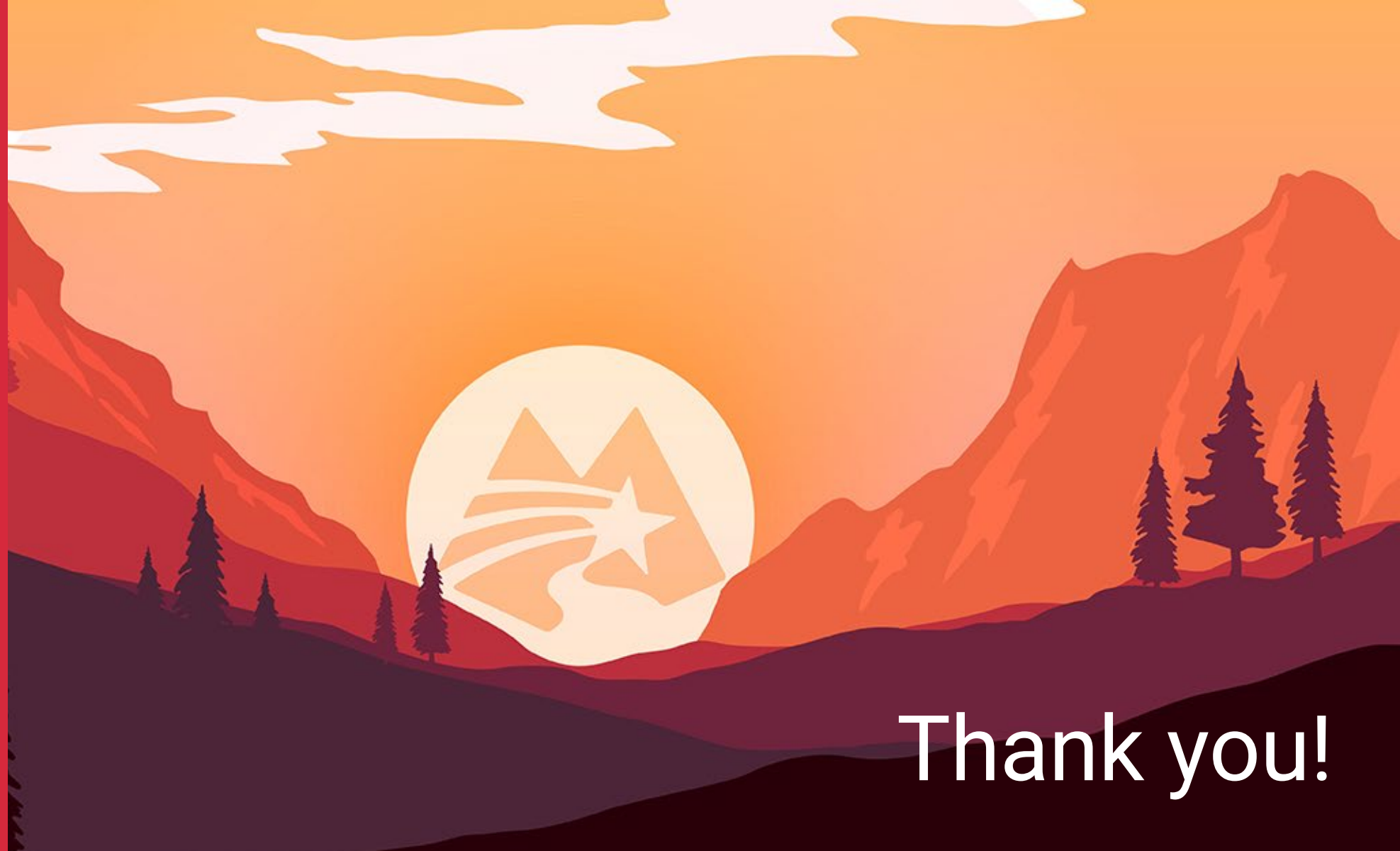
- (2) For the purposes of this rule, "acting in concert" includes, but is not limited to, persons or organizations coordinating their purchases, sharing funds for purchases, or acting on behalf of a common interest or strategy to exceed the stated purchase limitation.
- (3) The Lottery reserves the right to investigate any purchase patterns it deems suspicious or indicative of bulk ticket transactions. The Lottery's determination as to whether a violation of this rule has occurred shall be final and binding. The Lottery may consider factors such as, but not limited to, video surveillance, purchase records, and witness statements in its investigation.

Administrative Rule Addition

- Notice of Proposed Rulemaking
 - Montana Secretary of State
 - End of August
 - Notification of interested parties
 - Public Comment can be submitted
 - No hearing anticipated
- Action Item
 - Move forward with the proposed rule additions and changes process? Y/N



**MONTANA
LOTTERY**



Thank you!