

# Texas Lottery<sup>®</sup> Retailer Support

March 7, 2008

## Frequently Asked Questions

### “Is a Texas Lottery retailer required to sell scratch-offs?”

**Yes. The Texas Administrative Code (TAC) Rule 401.361 specifically states that each retailer must offer at least two instant games for sale at all times.** The exact wording from the TAC on retailer requirements for purchasing lottery tickets follows.

- (a) The commission may require each retailer to order and accept a minimum number of lottery tickets. Failure or refusal of a retailer to order or accept delivery of a required minimum number of lottery tickets may be grounds for summary suspension, suspension and/or revocation of the license.
- (b) Each retailer shall offer for sale to the public at all times at least two instant games, provided that the commission makes available at least two games. The executive director may prohibit a retailer from using a method of marketing lottery games other than those methods provided by the commission.
- (c) The executive director may establish minimum sales criteria. A retailer shall maintain sales in excess of the applicable minimum sales criteria. A retailer who does not maintain minimum sales in accordance with such criteria may be placed in a sales review period. Such sales review period shall be for a period of time and may be extended as determined by the executive director.
- (d) The minimum sales criteria established by the executive director shall be provided to retailers at least 30 days prior to imposition of such criteria.

## How does a retailer pay for Scratch-Offs?

There are four (4) ways a pack of instant tickets can be settled (charged) to a retailer's account. The retailer has direct control of only one way, “Manually.”

1. **Validation.** When approximately **70%** of the low-tier winning tickets (\$24.99 or less) have been validated, the pack will settle. A G-Tier (guaranteed prizes in a pack) prize level category exists for all games \$25 and higher which do not have low-tier prizes. These games will settle when 70% of the G-Tier prizes have been validated. The charge will be reflected in the weekly invoice available the upcoming Sunday.
2. **Manually.** After a pack is activated the retailer can choose to settle the pack and it will be charged into the current accounting week. The charge will be reflected in the weekly invoice available the upcoming Sunday.
3. **Time.** Forty-five (45) calendar days from the date a pack is activated, the pack will automatically settle (be charged) to the retailer's current accounting week and be included in the weekly invoice. Time settlement occurs only if the pack was not previously settled by one of the other methods.
4. **Game Closing.** Retailers will be charged for any tickets in their possession after the official End of Game date. Players have 180 days from the Game Closed date to validate tickets.

