

Out

Page 1 of 1

To: Open Records
Subject: Powerball
[REDACTED]

09/18/16

Katelind,

RE: Powerball

I would like to receive a current copy of the "Comments to the MUSL Rule."

I would like to receive the most current TX Lottery procedure OC-JE-008 titled Powerball Grand Prize Payment and Investment.

I would like to receive any/all records showing any/all subject matter where the Product Group voted to take action (ie ... rules, policies, guidelines) in connection with official business since Sept 2015.

I would like to receive any notice of disputes the Product Group has received since Sept 2015.

I would like to receive a copy of any/all amendments made to both the Powerball rule and the Powerball Group rule since Sept 2015.

Finally, I would like to receive the procedures/guidelines applicable to the flexible calculations used to determine the jackpot amount to advertise then the amount to actually pay when the Powerball jackpot is won.

Thank you.

Dawn Nettles
P. O. Box 495033
Garland, Texas 75049-5033
(972) 686-0660

Exhibit
" F "

In

Page 1 of 2

To: "lottoreport@lottoreport.com" <lottoreport@lottoreport.com>
Subject: RE: Powerball

Received
9-20-16

Ms. Nettles:

To which rule are you referring in your request for a current copy of the "Comments to the MUSL Rule"?

Also, please clarify or further describe your request for "any notice of disputes the Product Group has received"?

Please let me know.

Katelind Powers
Open Records Coordinator
Texas Lottery Commission
PO Box 16630
Austin, TX 78701-6630
512-344-5420
openrecords@lottery.state.tx.us

" F "

-----Original Message-----

From: Dawn Nettles [mailto:lottoreport@tx.rr.com]
Sent: Monday, September 19, 2016 12:50 AM
To: OpenRecords
Subject: Powerball

09/18/16

Katelind,

RE: Powerball

I would like to receive a current copy of the "Comments to the MUSL Rule."

I would like to receive the most current TX Lottery procedure OC-JE-008 titled Powerball Grand Prize Payment and Investment.

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Finally, I would like to receive the procedures/guidelines applicable to the flexible calculations used to determine the jackpot amount to advertise then the amount to actually pay when the Powerball jackpot is won.

Printed for Dawn Nettles <lottoreport@tx.rr.com>

10/11/2016

Commissioners:

J. Winston Krause,
Chairman

Carmen Arrieta-Candelaria

Peggy A. Hoeg

Doug Lowe

Robert Rivera



TEXAS LOTTERY COMMISSION

Gary Grief, *Executive Director*

Alfonso D. Royal III, *Charitable Bingo Operations Director*

October 3, 2016

" F "

Dawn Nettles
The Lotto Report
P.O. Box 495033
Garland, TX 75049-5033

Dear Ms. Nettles:

This letter is in response to your public information request received September 19, 2016.

You requested the following:

"I would like to receive a current copy of the "Comments to the MUSL Rule."

I would like to receive the most current TX Lottery procedure OC-JE-008 titled Powerball Grand Prize Payment and Investment.

I would like to receive any/all records showing any/all subject matter where the Product Group voted to take action (ie ... rules, policies, guidelines) in connection with official business since Sept 2015.

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Finally, I would like to receive the procedures/guidelines applicable to the flexible calculations used to determine the jackpot amount to advertise then the amount to actually pay when the Powerball jackpot is won."

On September 20, 2016 you clarified your request as follows:

"If you will review the Powerball Group Rule, the Multi State Lottery Agreement, Multi State Lottery Association Rules and the Finance Agreement you would find answers to both questions.

As for disputes, about the only thing I could further clarify would be - disputes from selling lotteries and I marked in red below where to find the comments to which I was referring.

I really can't imagine that you would ask these two questions."

P.O. Box 16630 • Austin, Texas 78761-6630

Phone (512) 344-5000 • FAX (512) 478-3682 • Bingo FAX (512) 344-5142

txlottery.org • txbingo.org

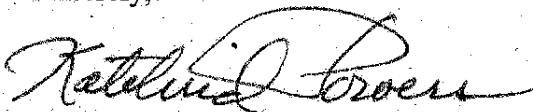
Some of the responsive documents contain information the agency believes to be excepted from disclosure under the Public Information Act. Please be advised that we are currently seeking an Attorney General Open Records Decision for the portions of the requested information which the Commission has asserted are confidential and excepted from disclosure.

Pursuant to Section 552.221(a) of the Texas Public Information Act, The Texas Lottery Commission is unable to provide responsive information that is not the subject of this request for decision within ten business days of the date of receipt of your request. We hereby certify that the responsive information will be available to you no later than close of business on October 31, 2016.

Enclosed is a copy of the request sent to the Open Records Division of the Office of the Attorney General. We will keep you apprised of any developments.

If you have any questions regarding your request, please contact me at the number shown below.

Sincerely,



Katelind Powers
Open Records Coordinator
512-344-5420
512-344-5189 FAX
openrecords@lottery.state.tx.us

Enclosure

L-21892

" F "

Commissioners:

J. Winston Krause,
Chairman
Carmen Arrieta-Candelaria
Peggy A. Heeg
Doug Lowe
Robert Rivera



TEXAS LOTTERY COMMISSION

Gary Grief, Executive Director

Alfonso D. Royal III, Charitable Bingo Operations Director

October 3, 2016

The Honorable Ken Paxton
Attorney General of Texas
Price Daniel Building
209 West 14th Street, 6th Floor
Austin, Texas 78711

Via: HAND DELIVERY

Attention: Justin Gordon
Chief, Open Records Division

Re: Request for Public Information Act Decision
TLC File # L-21892

Dear General Paxton:

On September 19, 2016, the Texas Lottery Commission (TLC) received a Public Information Request from Dawn Nettles for copies of various documents relating to the Multi-State Lottery Association (MUSL), and other documents relating to the "Powerball®" On-Line Game. See **Exhibit A**. This request for decision is timely filed.

All or part of the responsive information may be exempted from required public disclosure pursuant to Tex. Gov't Code Ann. §§ 552.101, 552.102, 552.103, 552.104, 552.107, 552.108, 552.110, 552.111, 552.116, 552.117, 552.125, 552.139 and 466.022. The TLC will provide responsive documents (to be labeled **Exhibit B**), along with further briefing, within the deadlines allowed by the Texas Public Information Act.

TEX. GOV'T CODE ANN. §§ 552.301 and 552.305

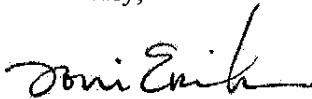
This request for a decision meets the requirements of §§ 552.301 and 552.305 of the Government Code, as follows:

- (1) The request is timely made within the ten business day period for seeking a decision from the attorney general.
- (2) The requestor was timely notified of this agency's determination to seek a decision from the attorney general and was timely provided with a copy of this letter. **Exhibit C.**

(3) Our written comments explaining the possible applicability of the stated exceptions to the requested records and a copy of the records at issue are provided to your office within fifteen business days after receipt of the request.

Please contact me or Deanne Rienstra, Assistant General Counsel, at (512) 344-5205 if you have any questions.

Sincerely,



for Gary Grief
Executive Director

Enclosures: Exhibits A & C

cc: ✓ Dawn Nettles (w/o enclosures)

11 F 11

Commissioners:

J. Winston Krause,
Chairman

Carmen Arrieta-Candelaria

Peggy A. Heeg

Doug Lowe

Robert Rivera



TEXAS LOTTERY COMMISSION

Gary Grief, *Executive Director*

Alfonso D. Royal III, *Charitable Bingo Operations Director*

October 10, 2016

"F 11"

Dawn Nettles
The Lotto Report
P.O. Box 495033
Garland, TX 75049-5033

Dear Ms. Nettles:

This letter is in response to your public information request received September 19, 2016.

You requested the following:

"I would like to receive a current copy of the "Comments to the MUSL Rule."

I would like to receive the most current TX Lottery procedure OC-JE-008 titled Powerball Grand Prize Payment and Investment.

I would like to receive any/all records showing any/all subject matter where the Product Group voted to take action (ie ... rules, policies, guidelines) in connection with official business since Sept 2015.

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Some of the responsive documents contain information the agency believes to be excepted from disclosure under the Public Information Act. Please be advised that we are currently seeking an Attorney General Open Records Decision for the portions of the requested information which the Commission has asserted are confidential and excepted from disclosure.

Pursuant to Section 552.221(a) of the Texas Public Information Act, The Texas Lottery Commission is unable to provide responsive information that is not the subject of this request for decision within ten business days of the date of receipt of your request. We hereby certify that the responsive information will be available to you no later than close of business on October 31, 2016.

Enclosed is a copy of the supplemental request sent to the Open Records Division of the Office of the Attorney General. We will keep you apprised of any developments.

If you have any questions regarding your request, please contact me at the number shown below.

Sincerely,



Katelind Powers
Open Records Coordinator
512-344-5420
512-344-5189 FAX
openrecords@lottery.state.tx.us

Enclosure

L-21892

"RE"

Commissioners:

J. Winston Krause,

Chairman

Carmen Arrieta-Candelaria

Peggy A. Heeg,

Doug Lowe

Robert Rivera



TEXAS LOTTERY COMMISSION

Gary Grief, Executive Director

Alfonso D. Royal III, Charitable Bingo Operations Director

October 10, 2016

The Honorable Ken Paxton
Attorney General of Texas
Price Daniel Building
209 West 14th Street, 6th Floor
Austin, Texas 78711

Via: HAND DELIVERY

Attention: Justin Gordon
Chief, Open Records Division

"F"

Re: Supplemental Request for Public Information Act Decision
OAG ID #637202; TLC File # L-21892

Dear General Paxton:

On September 19, 2016, the Texas Lottery Commission (TLC) received a Public Information Request from Dawn Nettles for copies of various documents relating to the Multi-State Lottery Association (MUSL), and other documents relating to the "Powerball®" On-Line Game. See Exhibit A attached to my request for decision letter dated October 3, 2016.¹ This supplemental request for decision is timely filed.

The TLC requests your decision on whether some of the responsive information may be excepted from required public disclosure pursuant to TEX. GOV'T CODE ANN. §§ 552.101, 552.139 and 466.022. The TLC withdraws its previous claims for exceptions under TEX. GOV'T CODE ANN. §§ 552.102, 552.103, 552.104, 552.107, 552.108, 552.110, 552.111, 552.116, 552.117, and 552.125. The TLC has provided some of the requested documents to the requestor.

TEX. GOV'T CODE ANN. §§552.101 and 466.022

The Texas Public Information Act, TEX. GOV'T CODE ANN. §552.101, excepts from required disclosure "information considered confidential by law, either constitutional, statutory, or by judicial decision."

TEX. GOV'T CODE ANN. § 466.022(b) (State Lottery Act) provides in part:

¹ A copy of the file-stamped letter dated October 3, 2016, (without exhibits) is attached.

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CONFIDENTIAL INFORMATION.

(b) In addition to commission records excepted from disclosure under Chapter 552, the following information is confidential and is exempt from disclosure:

- (1) security plans and procedures of the commission designed to ensure the integrity and security of the operation of the lottery;
- (2) information of a nature that is designed to ensure the integrity and security of the selection of winning tickets or numbers in the lottery, other than information describing the general procedures for selecting winning tickets or numbers; and
- (3) the street address and telephone number of a prize winner, if the prize winner has not consented to the release of the information.

The information sought by the requestor, and marked in Exhibit B, includes confidential accounting procedures designed to ensure the integrity and security of the operation of the lottery. The State Lottery Act provides the mandate under which the Texas Lottery Commission and the executive director have broad authority and shall exercise strict control and close supervision over all lottery games to promote and ensure integrity, security, honesty, and fairness in the operation and administration of the lottery. See TEX. GOV'T CODE ANN. §466.014. Also, as noted above, TEX. GOV'T CODE ANN. §466.022 provides that security plans and procedures of the commission designed to ensure the integrity and security of the operation of the lottery are confidential and exempt from disclosure. The necessity of maintaining the confidentiality of the confidential procedures sought by the requestor is to maintain the security, integrity and fairness of the lottery games. The confidential procedures outline the specific steps taken by the staff in the Office of the Controller to complete prize payment processing, and include computer program access information relating to such payments. Therefore, as part of the security plans and procedures, it is important that this information relating to these accounting procedures remains confidential.

TEX. GOV'T CODE ANN. §552.139

Additionally, the procedures are also marked under TEX. GOV'T CODE ANN. §552.139, which relates to the design, operation and security of the Commission's computer network and its associated application programs, and are excepted from required public disclosure as follows:

- (a) Information is excepted from the requirements of § 552.021 if it is information that relates to computer network security or to the design, operation, or defense of a computer network.

Release of the information in Exhibit B would compromise the lottery computer network and threaten the integrity and security of the lottery. These documents contain specific names of applications or network forms used in the described procedure. These documents also contain information designed to ensure against any impropriety or thwarting of security plans and

procedures in the operation of the lottery. Further, providing specific information addressing the type, nomenclature, location and/or footprint of the Commission's computer hardware, software, and communications network would compromise the security and integrity of the mission and function of the Commission.

Sincerely,

Kathryn Ryan for Gary Grief

Gary Grief
Executive Director

Enclosures: Exhibit B
File-Stamped letter dated October 3, 2016

cc: Dawn Nettles (w/o enclosures)

" F "

Subject: Texas Register Subscription Email Notification
To: lottoreport@tx.rr.com

Good Morning,

Your Texas Register Subscription
calls your attention to the following items for 2016-10-05 ;
Subscription Number: 7093

0066-Texas Lottery Commission

Openmeeting to be held on 10/13/2016 at 10:00 AM. TRD# 2016006772.

This posting can be viewed at [http://texreg.sos.state.tx.us/public/pub_om_lookup\\$.startup?
Z_TRD=2016006772](http://texreg.sos.state.tx.us/public/pub_om_lookup$.startup?Z_TRD=2016006772).

Check our on-line site at <http://texreg.sos.state.tx.us> for future updates on the status of this meeting.



INTEROFFICE MEMO

Gary Grief, Executive Director

Alonso D. Royal III, Charitable Bingo Operations Director

Approved

Denied

To: J. Winston Krause, Chairman
Carmen Arrieta-Candelaria, Commissioner
Peggy A. Heeg, Commissioner
Doug Lowe, Commissioner
Robert Rivera, Commissioner

From: Deanne Riensra, Assistant General Counsel

ASB
for
DGR

Date: October 13, 2016

Re: Consideration of and possible discussion and/or action, including proposal, on amendments to 16 TAC §401.317 "Powerball®" On-Line Game Rule

Attached for your consideration are proposed amendments to 16 TAC §401.317 "Powerball®" On-Line Game Rule. The purpose of the proposed amendments is to conform the Commission's rule to recent changes adopted by the Multi-State Lottery Association (MUSL) to clarify prize pool and reserve accounts, to update rule definitions, to clarify MUSL's use of the "MUSL Annuity Factor", and to clarify player remedies in the event of litigation arising out of a Powerball Play.

The submission prepared for the *Texas Register* includes a notice of public comment hearing to be held on the proposed amendments is at 10:00 a.m. on Wednesday, November 16, 2016.

Recommendation: Staff recommends the Commission initiate the rulemaking process by publishing the attached proposed rule amendments in the *Texas Register* in order to receive public comments for a period of 30 days.

" F "