



711 E. Wells Avenue • Pierre, SD 57501 • Phone: 605-773-5770 • Fax: 605-773-5786 • <http://lottery.sd.gov>

To: South Dakota Lottery Commission

From: Norman Lingle
Executive Director

Re: September 25, 2025, Lottery Commission Meeting

Date: September 19, 2025

The September 25, 2025, meeting of the South Dakota Lottery Commission will begin at 9:30 a.m. in room 412 of the State Capitol. The meeting audio will be streamed on the South Dakota Public Broadcasting's website. A link to the audio stream is included on the agenda.

A few highlights of the agenda are below.

Secretary Houdyshell will provide updates regarding the Department of Revenue, and I will provide Executive Director comments regarding updates since the last meeting.

My comments will include a summary of this summer's \$1.78 billion Powerball jackpot run. This marked the second largest Powerball jackpot ever, and it certainly made an impact in terms of sales and prizes won.

With this being the first meeting of Fiscal Year 2026, we will also need to elect a chair and vice chair.

Deputy Executive Director Clark Hepper will present Administrative Rules for approval. The administrative rules pertain to the new Millionaire for Life game that would replace Lucky for Life in early calendar year 2026.

Staff Attorney Nick Ramos will provide a review of Senate Bill 74 and the state's open meetings laws.

The agenda also includes the normal marketing, sales and video lottery reports.

Please contact Clark or me if you have any questions, comments or if there is anything else you would like addressed during the meeting.

South Dakota Lottery Commission
Thursday, Sept 25, 2025 – 9:30 a.m.
Room 412, State Capitol, Pierre, SD

**Please read all materials provided in the packet and print and bring the Agenda and all Exhibits*

Listen live at <http://www.sd.net/room412/>



MEETING AGENDA

1. Welcome Chair Harding
2. Roll Call Shawna Zebroski
3. Approval of Agenda Chair Harding
4. Approval of Minutes – June 18, 2025 meeting Chair Harding
5. Conflict of Interest Chair Harding
6. Department of Revenue Comments Secretary Mike Houdyshell
7. Executive Director Comments Executive Director Norm Lingle
8. SB74 – Review of Open Meeting Laws Nick Ramos, Staff Attorney
9. Administrative Rules Hearing – Millionaire for Life Dep Exec Director Clark Hepper
10. Election of Chair and Vice Chair Chair Harding
11. Video Lottery Report Director of VL and Security Trevor Wiebe
12. Sales Report Sales Director David Dahl
13. Sales Statistics Business Analyst Nathan Remmich
14. Marketing Report Director of Advert and PR Wade LaRoche
15. Public Comment Chair Harding
16. Next Meeting – December 11, 2025 Executive Director Norm Lingle
17. Adjournment Chair Harding

Expiration Dates of Commissioner Terms

Tim Donohue	01/01/2028	Tona Rozum	01/01/2027
Steve Harding	01/01/2027	Joe Kafka	01/01/2026
Jamie Huizenga	01/01/2028		

Individuals wanting to testify before the Lottery Commission must sign the attendance sheet and in prefacing their remarks, state their name and the entity they represent.

NOTE: This meeting is being held in a physically accessible location. Individuals needing assistance, pursuant to the Americans with Disabilities Act, should contact the South Dakota Lottery at 605.773.5770 in advance of the meeting to make any necessary arrangements in advance of the meeting to make any necessary arrangements.



Commission Members

Steve Harding –Chair
Tona Rozum–Vice Chair
Tim Donohue
Joe Kafka
Jamie Huizenga

Minutes of the Commission Meeting

Meeting was conducted in person
Wednesday June 18, 2025 – 9:30 a.m.

UNAPPROVED

Chair Harding called the June 18, 2025, meeting of the South Dakota Lottery Commission to order at 9:30 a.m. Commissioner Kafka attended via Microsoft Teams.

The public was able to participate in person or by listening on the internet.

SUPPORT STAFF PRESENT

Norm Lingle, Clark Hepper, Nick Ramos, Jason Evans, Wade LaRoche, Trevor Wiebe, Shawna Zebroski, Nathan Remmich, and David Dahl.

MEMBERS OF THE PUBLIC PRESENT

Troy Erickson, Kirby Muilenburg, Matt Krogman, Bob Mercer, Stephanie McCummings, Thomas Hodgkins, and Deb Mortenson.

APPROVAL OF THE AGENDA

- Chair Harding asked if there were any changes to the agenda. All in favor. Motion carried.

APPROVAL OF THE MINUTES FROM THE March 27, 2025, MEETING

- Chair Harding asked for a motion to approve the minutes. All in favor. Motion carried.

CONFLICT OF INTEREST

- Chair Harding asked if there were any conflicts of interest; there were none.

DEPUTY SECRETARY OF REVENUE COMMENTS

Department of Revenue Deputy Secretary Jason Evans reported on the following:

- 197 bills passed legislative session with some of those bills impacting our department. Changes for our department could include communication, publications, any technology changes to be made to our system, and any financial changes. These need to be implemented by July 1, 2025.
- New one stop building in Sioux Falls and the staff moved in the beginning of June.
- 605 Drive went live 4 months ago and more than a million transactions have been done with \$115 million dollars being collected.
- Video Lottery Establishment Policy with work being done by the Lottery staff and lottery industry partners.

EXECUTIVE DIRECTOR'S COMMENTS

Executive Director Norm Lingle reported on the following:

- Commissioner Huizenga was welcomed back. Commissioner Huizenga previously served on the Lottery Commission from 2018 to 2024.
- License Manager, Mason Propst, resigned in Mid-May. Alec Norwick, lottery's Sales Rep, is our new License Manager.
- Finance Team has been working with Legislative Audit for the FY25 audit.
- Halo Instant Ticket Displays has had some good results, and next step is to roll out more Halo Displays.
- IGT vendor announced they are now Brightstar Lottery.

MADATORY REPORTING POLICY

Nick Ramos, Staff Attorney

- Adopting ruling 25-2 Mandatory Reporting Policy related to Senate bill 62
- All state agencies, including boards and commissions, to establish a mandatory reporting policy and to inform their state employees their mandatory reporting obligations.
- Moved by Huizenga, seconded by Donohue. A voice vote was taken. All in favor. Motion carried.

MEGA MILLIONS LOTTO RETAILER INCENTIVE COMMISSION

Deputy Executive Director Clark Hepper

- Incentive commissions are authorized for on-line retailers who sell certain valid winning tickets for on-line games.
- Retailers must be actively engaged in the sale of on-line tickets and current in Lottery obligations to qualify for incentive commissions, which will be paid after winning tickets have been claimed and paid.

- Moved by Kafka, seconded by Huizenga. A voice vote was taken. All in favor. Motion carried.

MOBILE CASHING UPDATE

Deputy Executive Dir. Clark Hepper

- Mobile Cashing Launched February 17, 2025, and since then we have had 337 claims from 233 different players.
- Mobile claims app benefited players from all over the State with out-of-state claims from – MN, ND, A, WY, NE, CO, KS, GA, & CA.
- Largest claim through the mobile app has been \$2,500, with several claims of \$1,000.

RESPONSIBLE GAMING RESEARCH PRESENTATION

Lotto Research Founder and CEO Simon Jaworski

- Scientific Games research for 2023 Responsible Gambling study.
- 3193 Americans participated in a 20-minute on-line survey. 351 were from South Dakota.
- The survey was made up of 7 Gaming Groups
- New research will be done for 2025 and compared to 2023

VIDEO LOTTERY ESTABLISHMENT POLICY

Director of VL and Security Trevor Wiebe

- The policy is provided to clarify the licensing criteria for the approval and renewal of video lottery establishment licenses.
- Mandated requirements include the following: Alcohol license, Clear and Distinct Separation of Video Lottery Establishments, Point of Sale, Bar and Refrigerator/Cooler Requirement, Sign Reequipments and Monitoring.
- Matt Krogman – Licensed Beverage Dealers and Gaming Association, thanked the Lottery staff for including them in this discussion and would appreciate the support of the commissioners.
- Deb Martinson, Music and Vending Association, have reviewed the policy and support the policy, and would encourage the commission to support the policy.
- Moved by Huizenga, seconded by Kafka. A voice vote was taken. All in favor. Motion carried.

VIDEO LOTTERY REPORT

Director of VL and Security Trevor Wiebe

- Increase in the number of establishments and terminals

- Approximately 1400 establishments with an average of 8 terminals. 10 is the maximum terminal an establishment may have and currently there are over 11,000 machines.
- FY25 new machines purchased 393 and machines destroyed 215.
- Testing is being done in-house lab and BETA group for Disable/Enable terminals with auto disable at 2:00 am and enabled at 7:00 a.m.

SALES REPORT

Sales Manager David Dahl reported on the following:

- Instant Sales are down 2.69% with sales at \$43.79 million and Lotto Sales are down 35.47%.
- Lottery has paid out over \$31.1 million dollars in Instant tickets and \$5.2 million in Lotto Prizes to date.
- New games launching are Gold Rush, Jurassic Park, and holiday games.
- Halo project has been going for 13 weeks with 11% increase in sales.

SALES STATISTICS

Business Analyst Nathan Remmich

- Quarter 3 Instant Sales is down 3.1% with less interest in the lower price tickets, but we have growth from the newer \$30 tickets.
- Quarter 3 Sales by Lotto Games is down 37.7% but have a continuous growing Lotto America Jackpot from March of last year.
- Quarter 3 Video Net Machine Income is up .75%, with fewer GMMS machines and more SAS machines.
- FY25 review has a growth in the \$10 tickets and Video NMI has growth of 0.8%.

MARKETING REPORT

Director of Advertising and Public Relations Wade LaRoche

- Mega Millions Sales for the game have remained steady.
- Promotion to the new Mega Millions game saw sales grow by about \$26,930 above average.
- FY26 Lottery met with Lawrence & Schiller to discuss priorities for the upcoming fiscal year.
- Players Club received more than 2.5 million emails from the Lottery.
- In partnership with Lawrence & Schiller, the Lottery received recognition for its advertising efforts at the 2024 Telly awards.

PUBLIC COMMENT

None.

NEXT MEETING DATE

Executive Director Lingle stated the next meeting will be September 25, 2025.

ADJOURNMENT

Commissioner Huizenga made a motion to adjourn at 12:15 a.m. Commissioner Kafka seconded the motion. A voice vote was taken. All in favor. Motion carried.

*Please listen to the audio on the South Dakota Lottery Website:

<https://Lottery.sd.gov/about/commission/> for additional details.

ARTICLE 48:03

ON-LINE LOTTERY REQUIREMENTS

Chapter

48:03:01	General provisions.
48:03:02	Sale and distribution of on-line tickets.
48:03:03	On-line ticket payment and validation.
48:03:04	On-line drawings.
48:03:05	On-line ticket sales on Indian reservations.
48:03:06	Powerball game.
48:03:07	Dakota Cash game.
48:03:08	Tri-West Lotto game, Repealed.
48:03:09	Daily Millions game, Repealed.
48:03:10	Wild Card game.
48:03:11	Cash 4 Life game, Repealed.
48:03:12	Rolldown game, Repealed.
48:03:13	Hot Lotto game.
48:03:14	Raffle game.
48:03:15	(Effective through April 4, 2025) Mega Millions Game Rules. (Effective April 5, 2025) Mega Millions Game Rules.
48:03:16	MONOPOLY Millionaires' Club game.
48:03:17	EZ Match instant win option.
48:03:18	Lucky for Life game.
48:03:19	Lotto America game.
48:03:20	<u>Millionaire for Life game.</u>

CHAPTER 48:03:20
MILLIONAIRE FOR LIFE GAME

Section

48:03:20:01 Participation in Millionaire for Life game authorized.

48:03:20:02 Purchase of Millionaire for Life tickets.

48:03:20:03 Millionaire for Life game rules.

48:03:20:01. Participation in Millionaire for Life game authorized. The South Dakota Lottery may participate in the Millionaire for Life game.

General Authority: SDCL 42-7A-21(1).

Law Implemented: SDCL 42-7A-2, 42-7A-4(4)(13).

48:03:20:02. Purchase of Millionaire for Life tickets. An individual may purchase a Millionaire for Life ticket for up to nine future drawing dates.

General Authority: SDCL 42-7A-21(1)(6).

Law Implemented: SDCL 42-7A-2, 42-7A-21(17).

48:03:20:03. Millionaire for Life game rules. The "Millionaire for Life Official Game Rules"(July 8, 2025), are the rules for the Millionaire for Life game.

General Authority: SDCL 42-7A-21(1)(3)(4).

Law Implemented: SDCL 42-7A-4(4)(13).

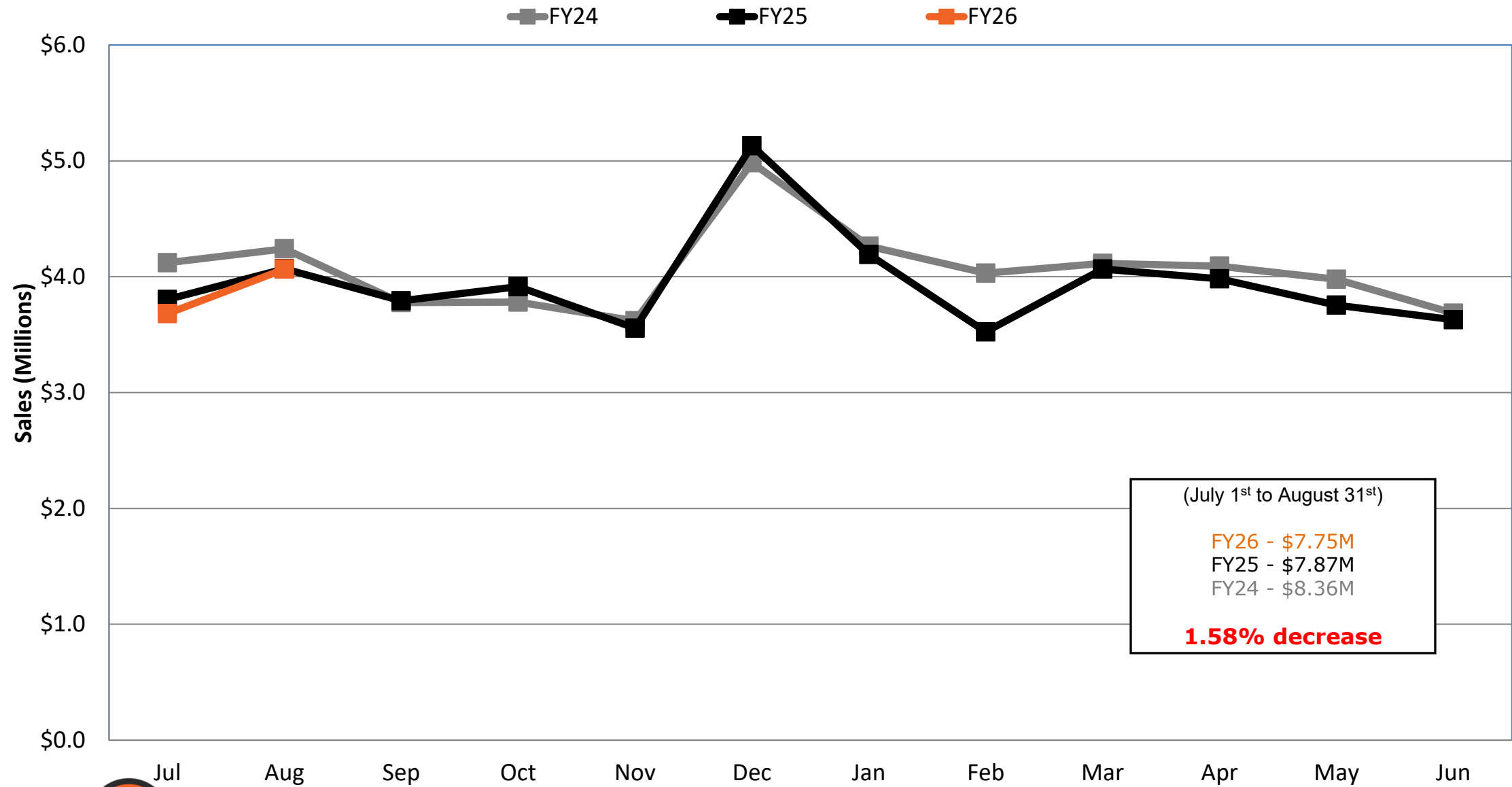
Reference: Millionaire for Life Official Game Rules, July 8, 2025, Multi-State Lottery Association. Copies may be obtained at no cost from the South Dakota Lottery, 711 East Wells Avenue, Pierre, South Dakota 57501-7107.

Sales Report

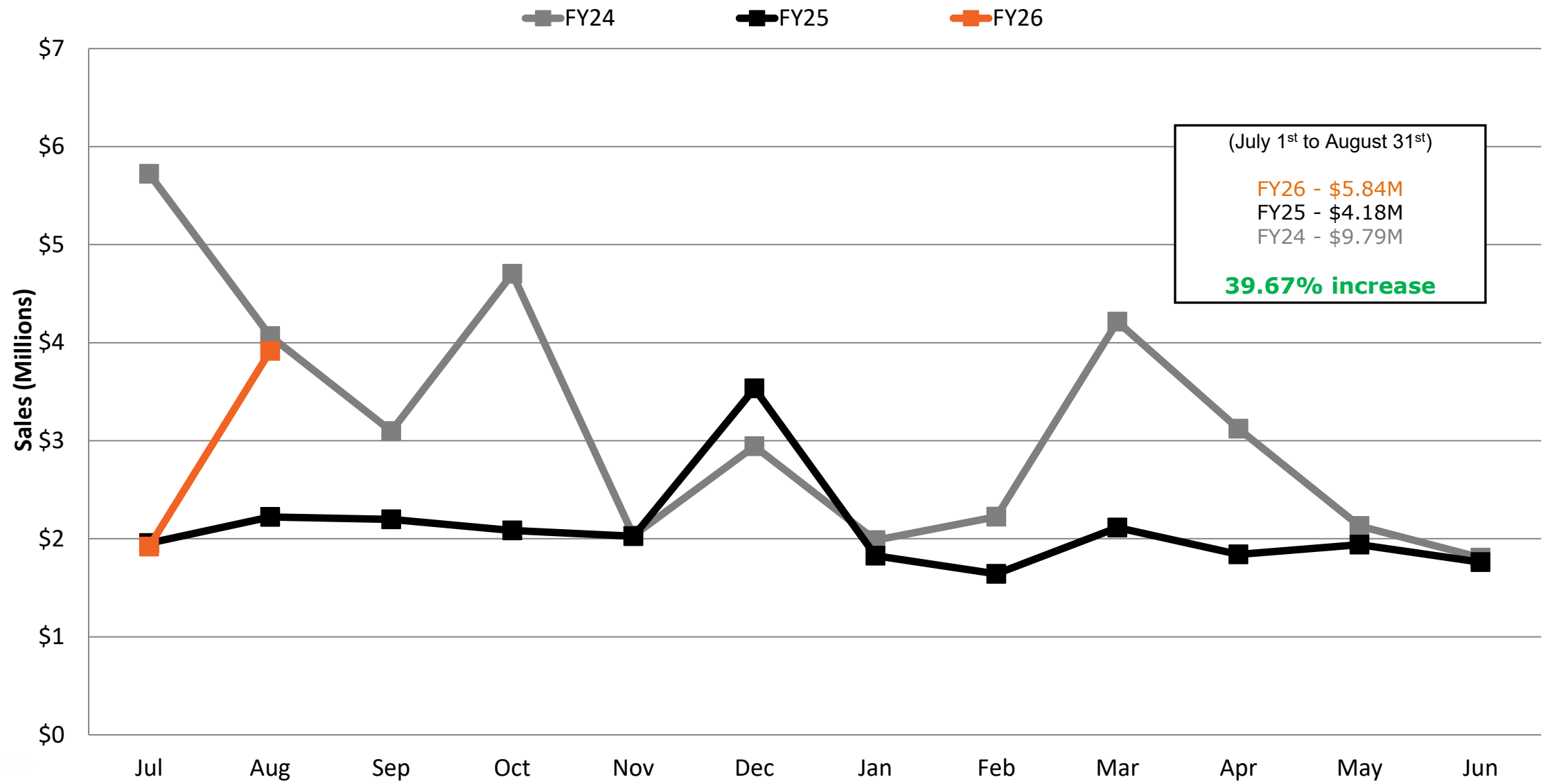


A DIVISION OF THE SOUTH DAKOTA DEPARTMENT OF REVENUE

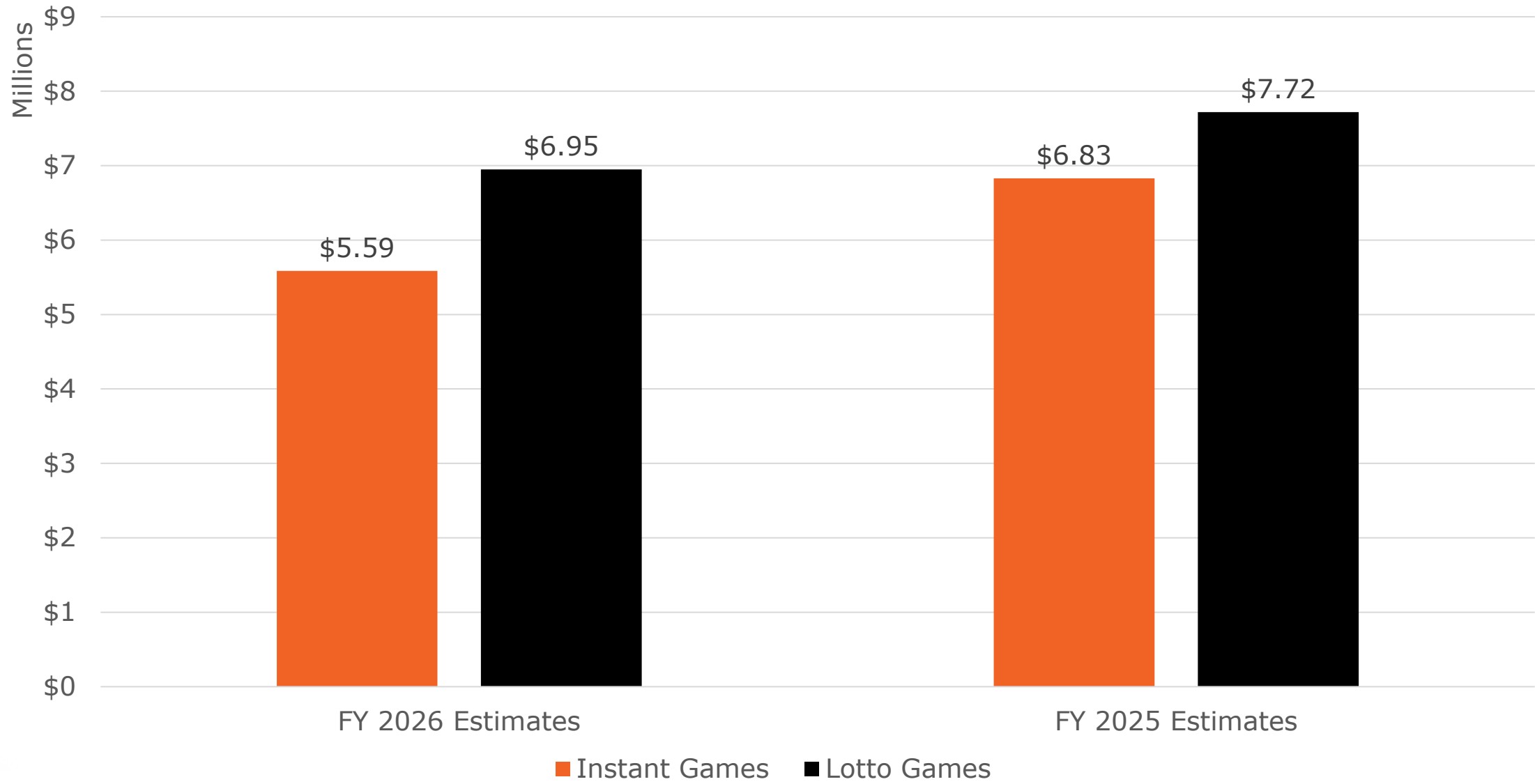
Instant Sales



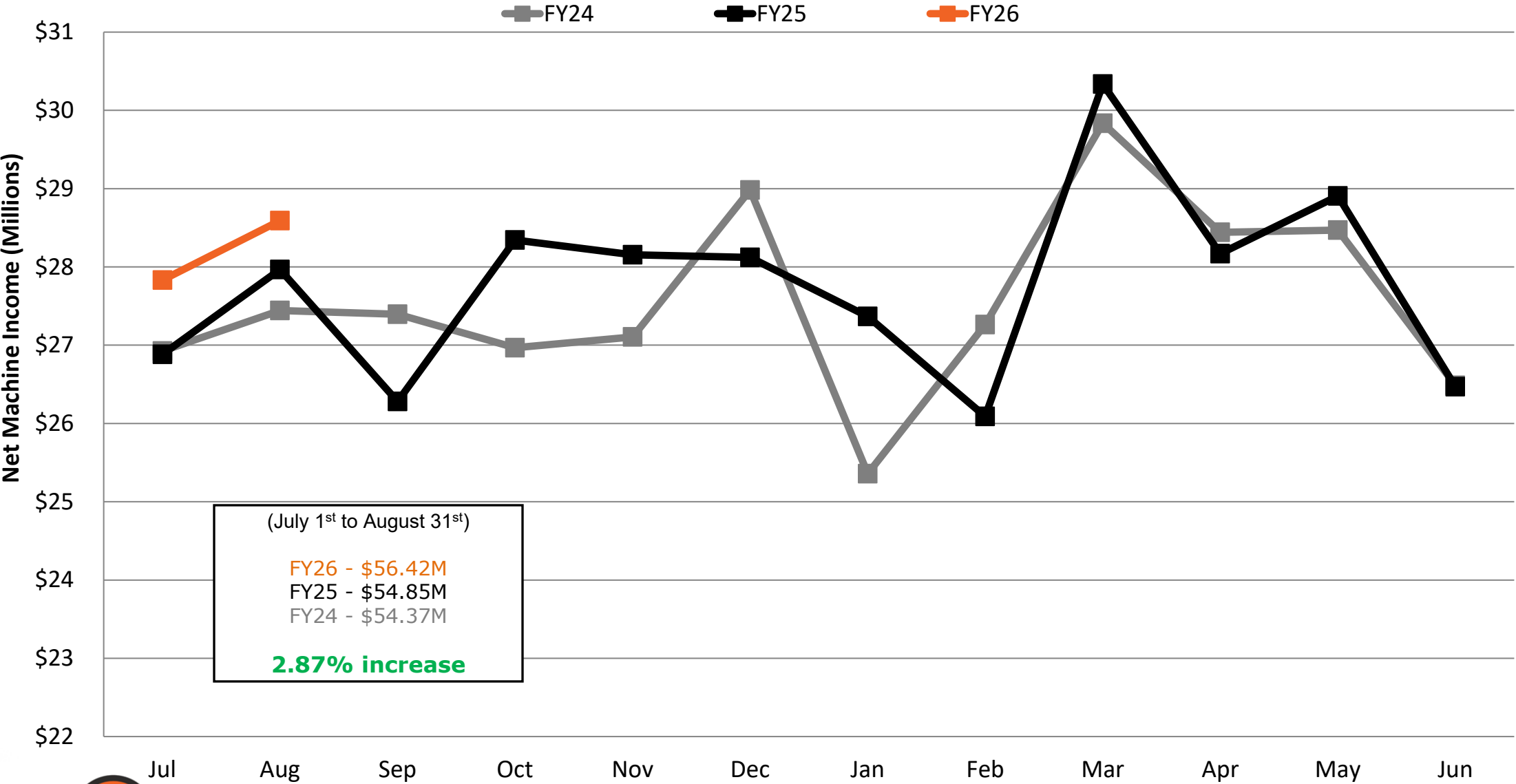
Lotto Sales



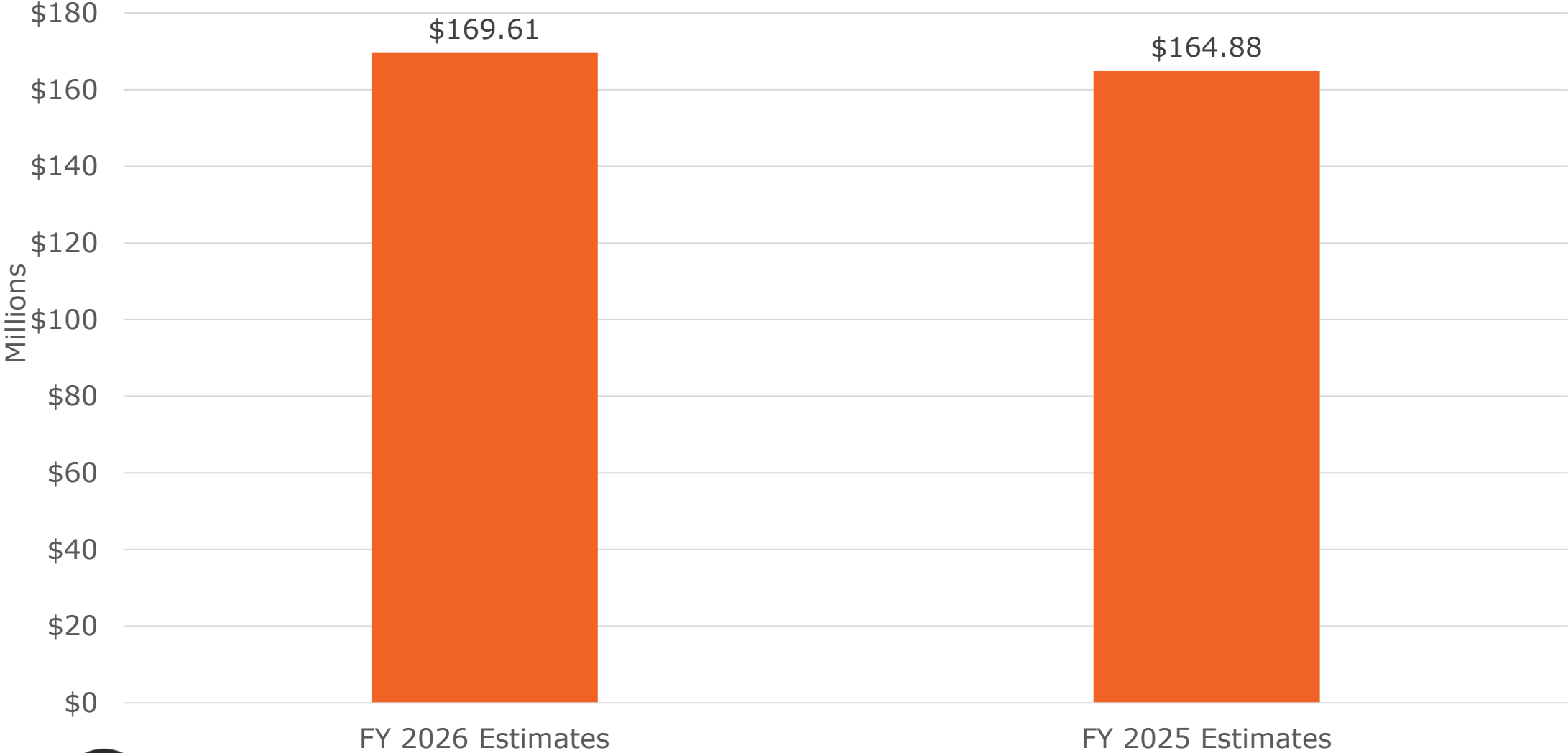
Instant and Online FY25 Revenue Projections as of August 31, 2025



Video Lottery NMI



Video Lottery FY25 State Share Revenue Projection as of August 31, 2025



Total FY25 Revenue Projections as of August 31, 2025

