

IN RE:

**DECLARATORY RULING
BY THE SOUTH DAKOTA
LOTTERY COMMISSION**

**RULING 89-1
ARSD 48:02:05:03(3)
Payout Percentages**

RULING: The Lottery will not entertain any manufacturer's request for approval of a game programmed for a payout greater than 92 percent of the amount wagered under the provisions of ARSD 48:02:08:03(3).

REASON: The authorized payout percentages within the range of 80-92% pursuant to law and regulation provides ample flexibility to manufacturers in game design. More importantly, this policy provides the opportunity to collect play transaction data on which to base an informed business decision on machines play in relation to net machine income.

Dated this 25th day of September, 1989.

Jack Theeler, Chairman