

531—14.19(99G) MVM certification. Before an MVM may be used to vend lottery products, it must be certified by the chief executive officer of the lottery. No MVM shall be placed in an MVM premises prior to being certified by the lottery. An MVM shall be certified only after all of the following requirements have been met:

14.19(1) The manufacturer of the MVM shall have passed a criminal background check pursuant to rule 531—2.16(99G).

14.19(2) The manufacturer shall have passed a financial responsibility background check.

14.19(3) The manufacturer shall demonstrate to the lottery's satisfaction that the MVM can perform all of the following:

a. Reliably vend lottery-approved tickets, either preprinted or printed on demand from a predetermined electronic "pack" of tickets.

b. Display, in the process of vending tickets, lottery-approved graphics and sound, indicating whether the vended ticket is a winner.

c. Communicate reliably with a central computer system, as described below, in order to transmit data.

d. Disable itself if it fails to communicate with the central computer system for a period not to exceed 50 hours.

e. Keep lottery tickets and cash receipts secure.

f. Account for the number of tickets sold and prizes awarded.

14.19(4) The manufacturer shall demonstrate the ability to securely, reliably, and consistently produce either preprinted tickets or electronic "packs" of tickets that meet the lottery's specifications as set forth in the game rules.

14.19(5) The manufacturer shall demonstrate that the MVM can operate reliably with a central computer system capable, at a minimum, of all of the following:

a. Communicating with MVMs located in all parts of the state.

b. Retrieving data from MVMs.

c. Transmitting data to MVMs.

d. Storing data received from MVMs.

e. Allowing secure access to data by the lottery and MVM retailers.

f. Producing printed reports in a format usable by the lottery.

g. Performing security checks on MVMs.

h. Consistently and reliably operating at least 16 hours per day.

14.19(6) The MVM manufacturer must commit contractually to provide the lottery with the data required by the lottery in a timely manner. The lottery may negotiate directly with manufacturers of certified MVMs for these services.

14.19(7) The manufacturer shall pay a fee of \$25, plus all actual costs incurred by the lottery in performing the necessary criminal background and financial responsibility checks. The lottery may require a manufacturer to pay the estimated cost of the criminal background and financial responsibility checks in advance.

14.19(8) As a condition of certification, the manufacturer shall provide to the lottery a working example of each model of MVM it proposes to have certified for testing and troubleshooting purposes. The lottery may keep the working example for such time as the model remains certified.

14.19(9) The certification process, including the financial responsibility background check, is solely for the use of the lottery. The lottery does not warrant the financial stability of any MVM manufacturer, and lottery certification of an MVM model shall not be considered to constitute a representation or a warranty that a particular MVM of that model is merchantable, fit for any particular purpose, or free of defects. MVM retailers and distributors shall conduct their own due diligence, including financial responsibility, prior to purchasing or leasing an MVM.

14.19(10) No MVM manufacturer or any parent, subsidiary, or affiliated company or entity thereof shall be licensed as an MVM retailer or an MVM premises operator.

This rule is intended to implement Iowa Code Supplement sections 99G.9(3), 99G.30, and 99G.31.