

transferred assets or income are returned to the individual, the penalty period is eliminated. Eligibility must be evaluated with returned assets included as though the individual had never transferred the assets or income. Returned assets or income must be counted as available when determining eligibility for retroactive months. ~~Penalty periods will not be shortened when only a partial return is made.~~

Section IV Emergency Rules

DEPARTMENT OF THE LOTTERY

RULE NO.: RULE TITLE:
53ER12-53 POWERBALL®

SUMMARY: This emergency rule sets forth the provisions for the conduct of POWERBALL® and replaces Rule 53ER12-6, F.A.C.

THE PERSON TO BE CONTACTED REGARDING THE EMERGENCY RULE IS: Diane D. Schmidt, Legal Analyst, Department of the Lottery, 250 Marriott Drive, Tallahassee, Florida 32399-4011

THE FULL TEXT OF THE EMERGENCY RULE IS:

53ER12-53 POWERBALL®.

(1) Definitions.

The following words and terms, when used in this rule, have the following meanings, unless the context clearly indicates otherwise:

(a) Annuity prize – A Grand Prize paid in thirty annual installments.

(b) MUSL – The Multi-State Lottery Association.

(c) MUSL Board – The governing body of MUSL which is comprised of the chief executive officer of each party lottery.

(d) MUSL Powerball Product Group – The group of lotteries that have joined together to offer the Powerball lottery game under the terms of the MUSL agreement and MUSL Powerball Product Group rules.

(e) Party Lottery – A State lottery or lottery of a political subdivision or entity which has joined MUSL and, in the context of the Powerball Product Group Rules, which is authorized to sell the Powerball game.

(f) Licensee Lottery – A state lottery or lottery of a governmental unit, political subdivision or entity thereof which is not a Party Lottery but has agreed to comply with all applicable MUSL and Product Group requirements and has been authorized by the MUSL and by the Powerball Product Group to sell the Powerball game.

(g) Selling Lottery – A lottery authorized by the Product Group to sell Powerball tickets, including Party Lotteries and Licensee Lotteries.

(h) Set prize – All prizes except the Grand Prize that are advertised to be paid by a single lump-sum payment and, except as set forth in paragraph (6)(g), will be equal to the prize amount established by the MUSL Board for the prize level.

(2) How to Play POWERBALL.

(a) POWERBALL is a multi-state lottery on-line game. In POWERBALL, players select five (5) numbers from a field of one (1) through fifty-nine (59) and one (1) Powerball number from a separate field of one (1) through thirty-five (35).

(b) Players may make their POWERBALL ticket selections by marking a play slip or by telling the retailer their desired selections. There are five (5) panels on a play slip, each containing an upper play area and a lower play area. Each panel played will cost \$2.00 per drawing. Players may mark their desired numbers on the play slip by selecting six (6) numbers (five (5) in the upper play area and one (1) in the lower play area) from each panel played. Players may also mark the “QP” (Quick Pick) box located at the bottom of each play area for the terminal to randomly select any or all of the six numbers from either or both play areas. A “Void” box is also located at the bottom of each panel and should be marked by the player if an error was made in his or her selections in a panel. For each panel played, the first five of the six numbers appearing in a single horizontal row on a POWERBALL ticket shall be the numbers selected from the upper play area of the play slip, and the last number shall be the Powerball number selected from the lower play area of the play slip.

(c) Players may mark the 5, 10 or 20 “Quick Picks” box to receive a ticket(s) with the selected number of sets of six (6) randomly selected numbers for the next POWERBALL drawing.

(d) Players must use only blue or black ink or pencil for making selections. Play slips must be processed by a retailer in order to obtain a ticket. Retailers also are authorized to manually enter numbers selected by a player.

(e) Players may play up to fifty-two (52) consecutive POWERBALL drawings by using the “advance play” feature. To use the advance play feature, players may either mark the number of drawings desired in the “Advance Play” section of a play slip or tell the retailer their desired number of consecutive advance drawings. The number of consecutive drawings marked will include the next available drawing and will apply to each panel (A-E) played.

(3) POWERBALL Drawings.

(a) POWERBALL drawings shall be conducted by MUSL two (2) times per week, on Wednesday and Saturday at approximately 10:59 p.m., ET.

(b) The Florida Lottery shall not be responsible for incorrect circulation, publication or broadcast of official winning numbers.

(4) Determination of Prize Winners.

In order for a ticket to be a winning ticket, numbers appearing in a single horizontal row on the ticket must match the official winning POWERBALL numbers in any order for the draw date for which the ticket was purchased, in one of the following combinations:

(a) Grand Prize: Five (5) numbers selected from the first set of balls plus the Powerball number selected from the second set of balls.

(b) Second Prize: Five (5) numbers selected from the first set of balls and not the Powerball number from the second set of balls.

(c) Third Prize: Four (4) numbers selected from the first set of balls plus the Powerball number selected from the second set of balls.

(d) Fourth Prize: Four (4) numbers selected from the first set of balls and not the Powerball number from the second set of balls.

(e) Fifth Prize: Three (3) numbers selected from the first set of balls plus the Powerball number selected from the second set of balls.

(f) Sixth Prize: Three (3) numbers selected from the first set of balls and not the Powerball number from the second set of balls.

(g) Seventh Prize: Two (2) numbers selected from the first set of balls plus the Powerball number selected from the second set of balls.

(h) Eighth Prize: One (1) number selected from the first set of balls plus the Powerball number selected from the second set of balls.

(i) Ninth Prize: No numbers selected from the first set of balls and the Powerball number selected from the second set of balls.

(5) POWERBALL Odds of Winning.

(a) The odds of winning the prizes described in subsection (4) are as follows:

1. Grand Prize – 1:175,223,510.0000
2. Second Prize – 1:5,153,632.6471
3. Third Prize – 1:648,975.9630
4. Fourth Prize – 1:19,087.5283
5. Fifth Prize – 1:12,244.8295
6. Sixth Prize – 1:360.1420
7. Seventh Prize – 1:706.4325
8. Eighth Prize – 1:110.8129
9. Ninth Prize – 1:55.4065

(b) The overall odds of winning a prize in a POWERBALL drawing are 1:31,8464.

(6) POWERBALL Prize Pool.

(a) Prize Pool. The prize pool for all prize categories shall consist of 50% of each drawing period’s sales after the prize reserve accounts are funded to the amounts set by the MUSL Powerball Product Group.

(b) Prize Reserve Accounts. An amount equal to up to 2% of a party lottery’s sales shall be deducted from a party lottery’s grand prize pool and placed in trust in one or more prize reserve accounts until the party lottery’s share of the prize reserve accounts reaches the amounts designated by the MUSL Powerball Product Group. Once the party lottery’s share of the prize reserve accounts exceeds the designated amounts, the excess shall become part of the grand prize pool. The MUSL Powerball Product Group, with the approval of the MUSL Finance and Audit Committee, may establish a maximum balance for the prize reserve accounts. The shares of a party lottery may be adjusted with refunds to the party lottery from the prize reserve accounts as may be needed to maintain the approved maximum balance and shares of the party lotteries.

(c) Expected prize payout percentages.

The Grand Prize shall be determined on a pari-mutuel basis. Except as provided in these rules, all other prizes awarded shall be paid as set cash prizes with the following expected prize payout percentages:

<u>Tickets Containing The Following In One Single Lettered Game Section</u>	<u>Prize</u>	<u>Prize</u>	<u>Approximate Percentage of Winnings Pool Allocated to Prize Category</u>
<u>Five first set numbers and the Powerball number</u>	<u>Grand Prize</u>	<u>Payment Grand Prize</u>	<u>63.9511%</u>
<u>Five first set numbers</u>	<u>Second Prize</u>	<u>\$1,000,000</u>	<u>19.4038%</u>
<u>Four first set numbers and the Powerball number</u>	<u>Third Prize</u>	<u>\$10,000</u>	<u>1.5409%</u>
<u>Four first set numbers</u>	<u>Fourth Prize</u>	<u>\$100</u>	<u>0.5239%</u>
<u>Three first set numbers and the Powerball number</u>	<u>Fifth Prize</u>	<u>\$100</u>	<u>0.8167%</u>
<u>Three first set numbers</u>	<u>Sixth Prize</u>	<u>\$7</u>	<u>1.9437%</u>
<u>Two first set numbers and the Powerball number</u>	<u>Seventh Prize</u>	<u>\$7</u>	<u>0.9909%</u>
<u>One first set number and the Powerball number</u>	<u>Eighth Prize</u>	<u>\$4</u>	<u>3.6097%</u>
<u>The Powerball number</u>	<u>Ninth Prize</u>	<u>\$4</u>	<u>7.2194%</u>

(d) Prize money allocated to the Grand Prize category will be paid on a pari-mutuel basis, divided equally by the number of plays determined to be winners of the Grand Prize.

(e) The number of plays determined to be winners of the second through ninth prize categories will be paid as set cash prizes, except as provided in paragraph (6)(g) below. If all or any portion of the set prize pool is not awarded in the current POWERBALL drawing, that portion of the set prize pool shall be carried forward to subsequent POWERBALL drawings.

(f) If the total of the set prizes awarded in a POWERBALL drawing exceeds the percentage of the prize pool allocated to the set prizes, the amount needed to fund the set prizes shall be drawn from the following sources in the following order:

1. The amount allocated to the set prizes and carried forward from previous draws, if any.

2. An amount from the MUSL set prize reserve account, if available, not to exceed \$40,000,000 per Powerball drawing.

(g) If the sources set forth in paragraph (6)(f) are depleted and there still are not sufficient funds to pay the set prizes for a particular POWERBALL drawing, the highest set prize shall become a pari-mutuel prize. If the amount of the highest set prize, when paid as a pari-mutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining set prizes, the next highest set prize shall become a pari-mutuel prize. If necessary, and under the same test conditions set forth in the preceding sentence, each succeeding set prize level shall be converted to a pari-mutuel prize, in order, until all set prizes become pari-mutuel. In that instance, the Party Lotteries and the Licensed Lotteries shall independently determine their pari-mutuel prize amounts and the MUSL Powerball Product Group shall determine the amount to be paid as the prize for each low tier prize level.

(h) Any interest or earnings accrued on a POWERBALL set prize prior to prize payment shall accrue to the State of Florida and not to the winner.

(7) POWERBALL Grand Prize.

(a) Players can choose one of two payment options for receiving their portion of the POWERBALL Grand Prize. Payment options are "Cash Option" and "Annual Payment."

(b) Grand Prize winners have sixty (60) days after the winning draw date to choose between the two (2) payment options. Once the Grand Prize winner signs the Winner Claim Form, files a claim and exercises the winner's chosen option, the election of that option shall be final and cannot be revoked, withdrawn or otherwise changed except as provided in paragraph (7)(i) below.

(c) In order to select the Cash Option, the Grand Prize winner must submit his or her ticket for payment within sixty (60) days after the winning draw date. If the Grand Prize winner does not elect the Cash Option within sixty (60) days after the winning draw date, the Annual Payment option will be applied, except as provided in paragraph (7)(f) below.

(d) Shares of the Grand Prize shall be determined by dividing the cash available in the Grand Prize pool equally among all winners of the Grand Prize. A Grand Prize winner who chooses the Cash Option will receive his or her share of the cash available in the Grand Prize pool in a single cash payment, less applicable withholding taxes.

(e) If a Grand Prize winner elects the Annual Payment option, his or her share of the Grand Prize will be paid in thirty (30) equal annual installments, each less applicable

withholding taxes. The amount of the prize shall be determined by multiplying the winner's share of the Grand Prize pool by the MUSL annuity factor. The MUSL annuity factor is determined by the best total securities price obtained through a competitive bid of qualified, pre-approved brokers made after the prize is claimed. MUSL shall purchase and hold the investments that shall fund the Grand Prize winner's prize payments. Neither MUSL nor the selling lotteries shall be responsible or liable for changes in the advertised or estimated annuity prize amount and the actual amount purchased after the prize payment method is actually known to MUSL.

(f) If individual shares of the cash held to fund Annual Payments are less than \$250,000, the Product Group, in its sole discretion, may elect to pay the winners their share of the cash held in the Grand Prize pool.

(g) Annuitized payment of the grand prize or a share of the grand prize will be rounded to the nearest one thousand dollars (\$1,000) to facilitate the purchase of an appropriate funding mechanism. Rounding differences on an annuitized grand prize win shall be added to the first cash payment to the winner or winners. Prizes other than the grand prize, which under this rule may become single-payment, pari-mutuel prizes, will be rounded down so that prizes can be paid in multiples of whole dollars. Rounding differences resulting from rounding these prizes shall be carried forward to the prize pool for the next drawing.

(h) The Florida Lottery will make the initial and any subsequent payments of a prize upon receipt of funds for such prize from MUSL.

(i) In the event of the death during the annuity payment period of a POWERBALL winner who elected the Annual Payment option, the estate of the deceased winner (the "Estate") may file a petition with the Florida Lottery to accelerate payment of all the remaining prize proceeds to the Estate. Such petition will be forwarded by the Florida Lottery to MUSL for processing.

(j) If the Grand Prize is not won in a drawing, the prize money allocated for the Grand Prize shall roll over and be added to the Grand Prize pool for the following drawing.

(k) Guaranteed Grand Prize.

On occasion, guaranteed minimum Grand Prize amounts or minimum increases in the Grand Prize amount between drawings will be offered for promotional purposes. If a minimum Grand Prize amount or a minimum increase in the Grand Prize amount between drawings is offered, the Grand Prize shares shall be determined as follows:

1. If there are multiple Grand Prize winners during a single drawing, each selecting the Annual Payment option, then a winner's share of the guaranteed Grand Prize shall be determined by dividing the guaranteed Grand Prize by the number of winners.

2. If there are multiple Grand Prize winners during a single drawing and at least one of the Grand Prize winners has elected the Annual Payment option, then the best bid submitted by MUSL's pre-approved qualified brokers shall determine the cash pool needed to fund the guaranteed Grand Prize.

3. If no winner of the Grand Prize during a single drawing has elected the Annual Payment option, then the amount of cash in the Grand Prize pool shall be an amount equal to the guaranteed amount divided by the average annuity factor of the most recent three best quotes provided by MUSL's pre-approved qualified brokers submitting quotes.

4. In no case shall quotes be used which are more than two weeks old and if fewer than three quotes are submitted, then MUSL shall use the average of all quotes submitted.

(l) Federal income taxes shall be applied and withheld from the prize amount at the time payment is made, pursuant to applicable provisions of the Internal Revenue Code and Code of Federal Regulations.

(m) Any interest or earnings accrued on a POWERBALL Grand Prize prior to prize payment shall accrue to MUSL and not to the winner.

(8) Power Play® Option.

(a) The Power Play option shall be available in association with the POWERBALL game. The Power Play option will be conducted in accordance with the POWERBALL rules. The POWERBALL Grand Prize will not be eligible for increase under the Power Play option.

(b) At the time of purchasing a POWERBALL ticket, a player may choose the Power Play option for an additional \$1.00 per play for each play on the POWERBALL ticket.

(c) POWERBALL tickets that contain the Power Play option and one or more plays eligible for POWERBALL set prizes shall be entitled to a prize as follows:

<u>Match</u>	<u>Prize Amount</u>
<u>Match 5+0</u>	<u>\$2,000,000</u>
<u>Match 4+1</u>	<u>\$40,000</u>
<u>Match 4+0</u>	<u>\$200</u>
<u>Match 3+1</u>	<u>\$200</u>
<u>Match 3+0</u>	<u>\$14</u>
<u>Match 2+1</u>	<u>\$14</u>
<u>Match 1+1</u>	<u>\$12</u>
<u>Match 0+1</u>	<u>\$12</u>

(d) The prize pool for Power Play set prizes shall consist of up to 49.96% of Power Play sales after POWERBALL prize reserve accounts are funded to the amounts set by MUSL. The prize pool percentage allocated to Power Play set prizes shall be carried forward to subsequent drawings if all or a portion of the percentage is not required to pay the set prizes for the current drawing.

(e) An additional .04% of Power Play sales will be collected and placed in prize reserve accounts until the prize reserve accounts meet the amounts designated by MUSL.

(f) If, with respect to a single POWERBALL drawing, the total of the POWERBALL set prizes and the Power Play prizes awarded in a drawing exceeds the percentage in the prize pools allocated to the set prizes, the amount needed to fund those set prizes shall be drawn from the following sources in the following order:

1. The amount allocated to the set prizes and carried forward from previous drawings, if any.

2. An amount from the POWERBALL set prize reserve account, if available, not to exceed \$40,000,000 per drawing.

(g) If the sources set forth in paragraph (8)(f) are depleted and there still are not sufficient funds to pay the set prizes for a particular POWERBALL drawing and the associated Power Play prizes, the highest set prize, including the Power Play prize amounts, shall become a pari-mutuel prize. If the amount of the highest set prize, when paid as a pari-mutuel prize, is less than or equal to the next highest set prize and there are still not sufficient funds to pay the remaining prizes, the next highest set prize, including the Power Play prize amounts, shall become a pari-mutuel prize. If necessary under the same test set forth in the preceding sentence, each succeeding set prize level shall be converted to a pari-mutuel prize, in order, until all set prizes become pari-mutuel. If all set prizes are converted to pari-mutuel prizes, the money available from the funding sources listed in paragraph (8)(f) shall be divided among the winning plays in proportion to their respective prize percentages. Powerball and Power Play prizes will be reduced by the same percentage.

(h) Power Play set prizes which become pari-mutuel will be rounded down so that they can be paid in multiples of whole dollars. Funds remaining after rounding shall be carried forward to the prize pool for the next drawing.

(i) Except as otherwise provided, all Power Play prizes shall be paid in single, lump-sum payment.

(j) When the POWERBALL set prizes become pari-mutuel, the POWERBALL set prize amounts will be less than the amount shown in paragraph (6)(c) above and the Power Play prizes shall be changed to an amount announced after the drawing.

(9) POWERBALL Rules and Prohibitions.

(a) By purchasing a POWERBALL ticket, a player agrees to comply with and abide by all rules of the Florida Lottery.

(b) Florida POWERBALL prizes shall be claimed only through a Florida Lottery retailer or Lottery office beginning on the day following the drawing. The Lottery is not authorized to accept claims or pay prizes for POWERBALL tickets purchased in other jurisdictions. POWERBALL prize payments shall be made in accordance with rules of the Florida Lottery governing payment of prizes. A copy of the current rule can be obtained from the Florida Lottery, Office of the General Counsel, 250 Marriott Drive, Tallahassee, Florida 32399-4011.

(c) Subject to a retailer's hours of operation and on-line system availability, POWERBALL lottery tickets are available for purchase daily between the hours of 6:00 a.m. and 12:00 midnight, Eastern Time (ET). Ticket sales for a specific POWERBALL drawing will close at 10:00 p.m., ET, on the night of the drawing. Any ticket sold after the close of game will be printed with the next POWERBALL draw date.

(d) POWERBALL tickets cannot be cancelled.

Rulemaking Authority 24.105(9)(a), (b), (c), (e), (f), (h), 24.109(1), 24.115(1) FS. Law Implemented, 24.105(9)(a), (b), (c), (e), (f), (h), 24.115(1), 24.116(1), 24.117(2), 24.124(1) FS. History—New 7-6-12, Replaces 53ER12-6.

THIS RULE TAKES EFFECT UPON BEING FILED WITH THE DEPARTMENT OF STATE UNLESS A LATER TIME AND DATE IS SPECIFIED IN THE RULE.

EFFECTIVE DATE: July 6, 2012

Section V

Petitions and Dispositions Regarding Rule Variance or Waiver

DEPARTMENT OF EDUCATION

NOTICE IS HEREBY GIVEN that on June 29, 2012, the Florida's Office of Early Learning, received a petition for Temporary Emergency Waiver of paragraph 6M-8.201(4)(a), F.A.C., which provides requirements for conducting parent orientation sessions for parents registering their children for the VPK program. The Petition was filed by the Early Learning Coalition of Orange County, P. O. Box 540387, Orlando, FL 32854. Notice was posted on July 1, 2012.

A copy of the Petition for Variance or Waiver may be obtained by contacting: Todd Twilley, Florida's Office of Early Learning, 250 Marriott Drive, Tallahassee, FL 32399, email: Todd.Twilley@oel.myflorida.com.

PUBLIC SERVICE COMMISSION

NOTICE IS HEREBY GIVEN that on June 25, 2012, the Florida Public Service Commission, received a petition for the Florida Division of Chesapeake Utilities Corporation in Docket No.: 120178-GU, seeking waiver from paragraph 25-7.045(8)(a), Florida Administrative Code. The rule requires companies to file a depreciation study at five year intervals. Comments on the petition should be filed with the Office of Commission Clerk, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399-0850, within 14 days of publication of this notice. For additional information, please contact Caroline Klancke, Office of the General Counsel, at the above address or telephone (850)413-6220.

A copy of the Petition for Variance or Waiver may be obtained by contacting: Office of Commission Clerk, (850)413-6220.

WATER MANAGEMENT DISTRICTS

NOTICE IS HEREBY GIVEN that on July 5, 2012, South Florida Water Management District (District) received a request for withdrawal of a Petition for Waiver from Centurylink regarding Application No. 12-0541-1M for utilization of Works or Lands of the District known as the CR 951 Canal; Section 14/15, Township 50 South, Range 26 East, Collier County. The District originally received the petition for waiver from Centurylink on May 18, 2012, and Notice of receipt of the petition was published in the Florida Administrative Weekly, Vol. 38, No. 22, on June 1, 2012. No public comment was received.

A copy of the withdrawal request may be obtained from: Juli Russell, South Florida Water Management District, 3301 Gun Club Road, MSC #1410, West Palm Beach, FL 33406-4680, (561)682-6268 or e-mail: jurussel@sfwmd.gov.

NOTICE IS HEREBY GIVEN that on June 28, 2012, the South Florida Water Management District ("District"), received a petition for waiver from Florida Department of Transportation, Application No.: 12-0628-4, for utilization of Works or Lands of the District known as C-1W Canal, for the proposed placement of a guardrail directly adjacent to the bridge; Section 12, Township 55 South, Range 38 East, Miami-Dade County. This petition seeks relief from subsections 40E-6.011(4) and (6), Florida Administrative Code, which governs the placement of permanent and/or semi-permanent above-ground structures within 40 feet of the top of canal bank and within the District's 100 foot long designated equipment staging areas within Works or Lands of the District.

A copy of the Petition for Variance or Waiver may be obtained by contacting: Juli Russell, (561)682-6268 or email: jurussel@sfwmd.gov. The District will accept comments concerning the petition received by end of business on the 14th day at the South Florida Water Management District, 3301 Gun Club Road, MSC #1414, West Palm Beach, FL 33406, Attn: Juli Russell, Office of Counsel.

NOTICE IS HEREBY GIVEN that on June 28, 2012, the South Florida Water Management District (District), received a petition for waiver from Toras Chaim Development Corporation for a Right of Way Occupancy Permit, Application No. 12-0628-3, for utilization of Works or land of the District known as the C-9 Canal to allow an existing concrete Walkway, sprinkler pump, portion of a basketball court and a portion of a concrete pad with dumpster and a fence enclosure at the top of bank to remain within the north canal right of way lying in Section 5, Township 52 South, Range 42 East, Miami-Dade County. The petition seeks relief from