

State Lottery in Alabama



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Solutions Alabama 2019

TABLE OF CONTENTS

Lottery in Alabama Team Members.....	Page 3
Acknowledgements.....	Page 4
Introduction.....	Page 5
Alabama Legislative Events.....	Page 7
Lotteries in Other States.....	Page 9
Lotteries and Median Income/Population numbers.....	Page 25
Socioeconomic Impact in Other States.....	Page 27
Negative Impacts.....	Page 29
Misconceptions.....	Page 30
Recommendations.....	Page 34

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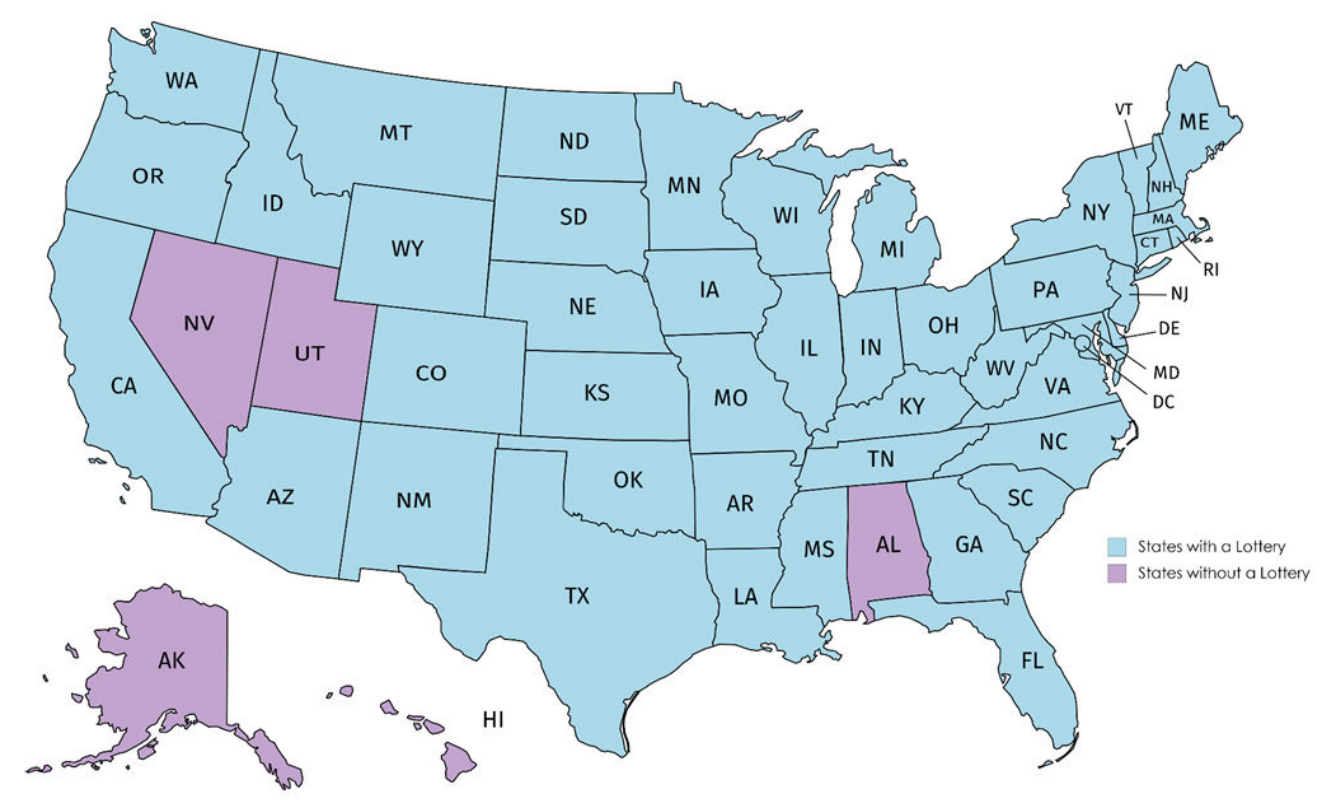
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INTRODUCTION

Budget shortfalls and rising costs are wreaking havoc on state budgets nationwide. The Alabama Constitution of 1901 requires a balanced budget each fiscal year, unlike our federal budget and many other states. If revenues do not meet expectations, certain events must take place in the budgetary process. Borrowing is not a choice to balance the budget. The Constitution of 1901 severely limits borrowing funds to balance the budget. The remaining options are to cut funding by proration, or more taxation. What have forty-four states done to enhance funding without raising taxes? They have turned to state sponsored lotteries to fill the revenue gaps.



States Without Lotteries

Alabama is in the minority of states without a state lottery. With the passage of lottery legislation in Mississippi, Alabama will be the only state in the eastern half of the United States without a lottery. Alabama's constitution prohibits the establishment of a state lottery. Article IV, §65 of the Alabama Constitution of 1901 states:

"The legislature shall have no power to authorize lotteries or gift enterprises for any purposes, and shall pass laws to prohibit the sale in this state of lottery or gift enterprise tickets, or tickets in any scheme in the nature of a lottery; and all acts, or parts of acts heretofore passed by the legislature of this state, authorizing a lottery or lotteries, and all acts amendatory thereof, or supplemental thereto, are hereby avoided."

An amendment to the constitution, approved by the voters, must take place to set up a lottery in the State of Alabama. There have been multiple attempts to bring a lottery vote to the citizens of Alabama; however, earlier efforts to implement a lottery have been unsuccessful. Our project team looked at lottery bills previously introduced in the legislature and examined why they did not pass. We also researched the socioeconomic impact of lotteries implemented in surrounding states and what factors Alabama citizens should consider about approval of a constitutional amendment to implement a lottery. Finally, our project team will offer our recommendations on a lottery in Alabama.

ALABAMA LEGISLATIVE EVENTS

The Alabama House and Senate have debated several lottery bills in past years either in committee, or on the legislative floor. The only lottery bill which passed both houses of the Alabama legislature and made it on the ballot for a vote was during Governor Don Siegelman's administration in 1999. Governor Siegelman had put the full force of the governor's office behind the proposed amendment to get the measure passed. Polls prior to the election had shown support for the lottery to be around 61%. The voters rejected the lottery amendment 54% to 46%.¹

Senate Bill 3 proposed by Senator Jim McClendon of Springville during the 2016 legislative session did not receive enough support in the legislature to reach the voters. The bill would have used proceeds to fund education, Medicaid, and rural volunteer fire departments.

The 2019 legislative session has also seen lottery bills introduced in the Senate (SB 116, SB 130, and SB 220).

SB 116, sponsored by Republican Senator Jim McClendon of Springville, was a wide-ranging bill to implement a lottery in Alabama. The bill included provisions to have video lottery machines at the four existing dog racing tracks located in Jefferson, Greene, Macon, and Mobile counties. He set forth the parameters of the Alabama Lottery Commission to run the day to day operations of the lottery, levied state and local gross receipts taxes on gaming revenue and allocated a tax on vendors of video lottery equipment. The State General Fund and the Education Trust Fund would split the lottery revenues equally. The Alabama Department of Public Health would receive up to \$200,000.00 annually from unclaimed prize money to fund education and treatment programs for gambling disorders.

SB 130 proposed an amendment to Section 65 of the Constitution of 1901 to allow the provisions outlined in SB 116 to allow the citizens of Alabama to vote for or against the change. SB 130 did

not make it out of the Tourism Committee for a floor vote. Both SB 116 and SB 130 died in committee without further action.

SB 220, sponsored by Senators Greg Albritton and Del Marsh proposed an amendment to Section 65 of the Constitution to implement a lottery which included multi-state lottery games (Mega Millions and Power Ball) and instant tickets (scratch off games).² The proposed legislation would distribute lottery proceeds to the Alabama Trust Fund to repay transfers to the State General Fund made in 2013, 2014, and 2015. The Alabama Trust Fund and the General Fund would share the remaining proceeds equally. SB 220 received enough votes in committee to make it to the Senate floor for debate. The Senate approved the bill and sent it to the Alabama House of Representatives for further action. The House attached amendments to the bill changing the disposition of the lottery proceeds to 75% for the General Fund and 25% to the Education Trust Fund.³ The amended version of the bill failed a procedural vote to bring it to the House floor for debate by one vote. *"The lottery is dead for this session,"* said Representative Steve Clouse, the sponsor of the House version of the bill.³ Representative Clouse stated that he believed the bill to be six or seven votes shy to bring it to the House floor. Disagreements about disposition of the lottery proceeds, opposition from lawmakers opposed to any form of gambling, and House members who wanted electronic gaming machines in Macon and Greene counties were contentions voiced by House members and contributed to the bill's demise in the House.

LOTTERIES IN OTHER STATES

Forty-four states play lotteries of various types. Our team researched several states to determine the success of the lotteries, any changes to the initial law, how the proceeds are allocated, and distribution of lottery sales.

Our research indicated that all states play similar lottery games. These games consist of scratch-offs, daily draw games, and multi-state lotto games.

Scratch-off ticket sales lead the way in most states. These are paper games with a foil or latex coating which the customer uses a coin to remove revealing the numbers underneath. The player must match a series of numbers or symbols to win. The scratch off games vary from state to state.

Daily draws are paper lottery games in which the player selects a series of numbers to match the daily numbers randomly selected by the lottery corporation or commission. Winning amounts vary depending on the state.

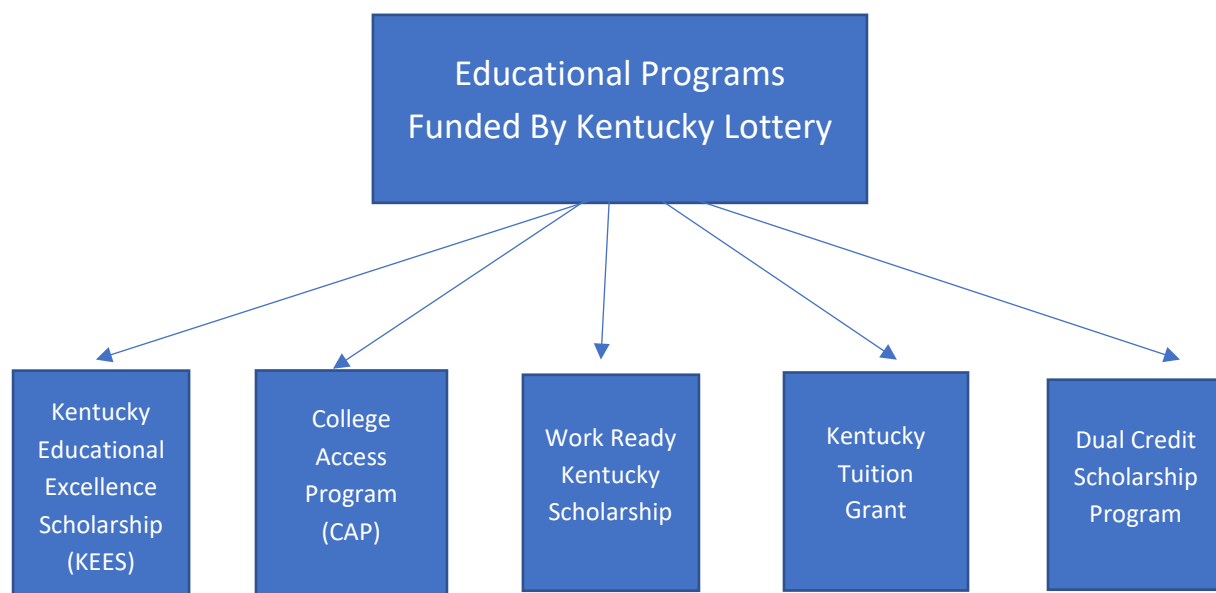
The multi-state lotto games are Mega Millions and Power Ball. Mega Millions is a paper lottery game where the player selects five numbers between one and seventy and a Mega Ball number between one and twenty-five. Power Ball is similar in that the player selects five numbers between one and sixty-nine and a Power Ball between one and twenty-six. The multi-state games produce very large jackpots which drive up ticket sales. Forty-four states across the nation participate in the multi-state games.

KENTUCKY:

Kentucky began lottery play in April of 1989 after receiving sixty percent voter approval the previous year. Kentucky began lottery sales with two types of scratch off tickets. First day lottery sales exceeded \$5 million. Total sales for the first week totaled \$27 million.⁴

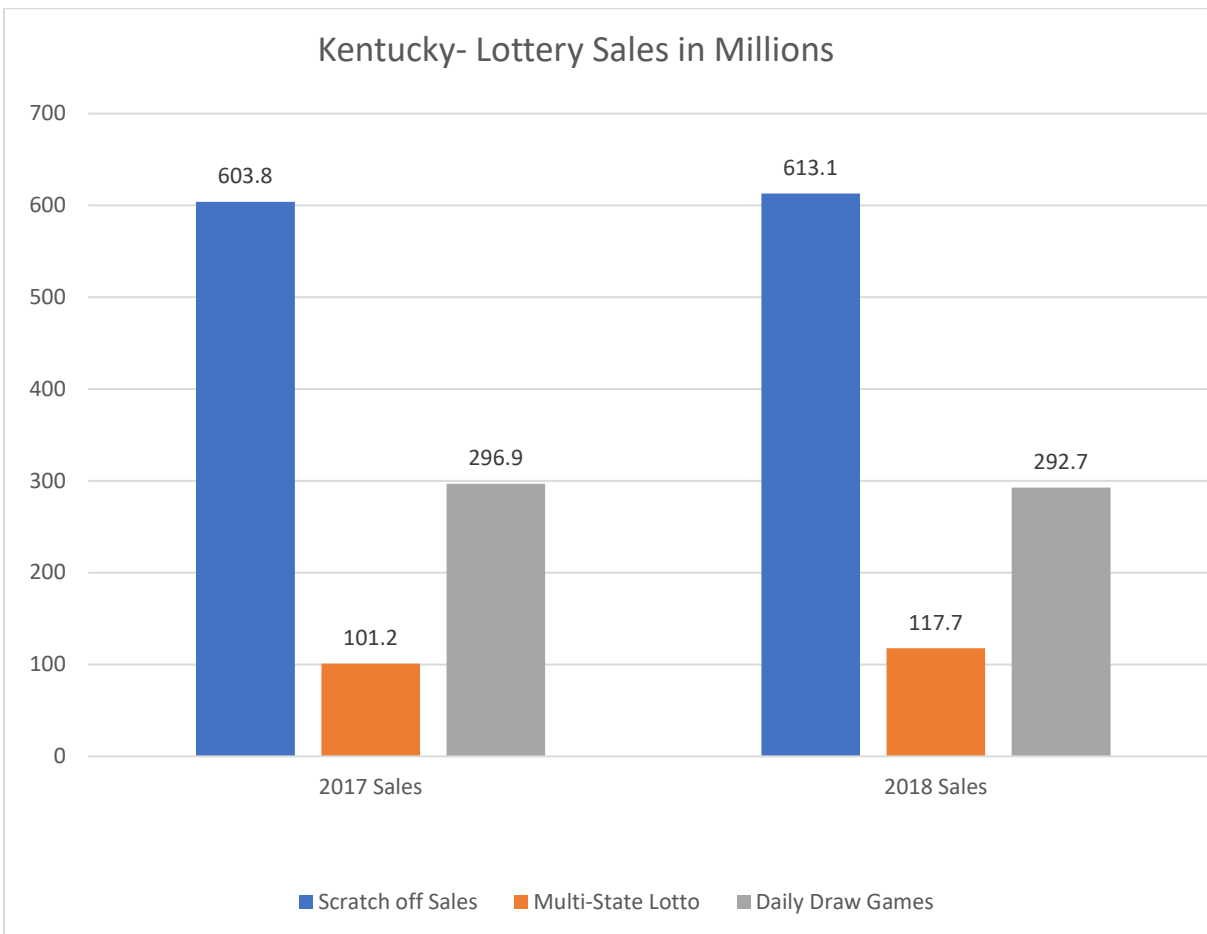
The General Fund initially received a majority of the lottery proceeds. Various funds received lottery proceeds through the years. The Kentucky legislature directed one-time transfers in the early 1990's to veteran and education programs. Another beneficiary was the Kentucky Affordable Housing Trust Fund.

Beginning in July of 2005, 100% of the lottery proceeds were redirected to fund educational projects such as college grants, scholarships, and literacy programs. Investments in Kentucky educational programs since the inception of the lottery in 1989 exceed 3.4 billion dollars. 820,000 Kentucky college students have received educational funding from the lottery, and 2.43 million grants and scholarships have been awarded.⁵ Multiple programs have benefitted from lottery proceeds. The following graphic depicts the educational programs funded by lottery proceeds.



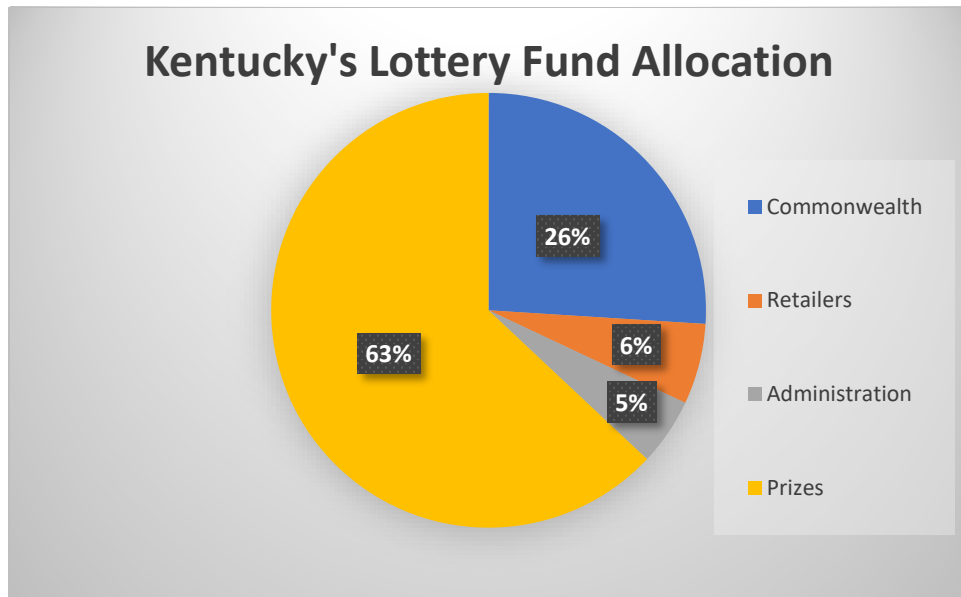
These programs are based on student financial need and/or scholastic merit. One out of five Kentucky residents have received financial benefits from Kentucky lottery proceeds. The need-based programs are the College Access Program (CAP) and the Kentucky Tuition Grant Program. Scholastic merit-based programs are the Kentucky Educational Excellence Scholarship (KEES) and the bonus plans attached to the KEES program based on test scores and grade point average.⁶

Kentucky lottery sales in 2018 exceeded \$1.042 billion. 2018 is the second year in a row that lottery sales exceeded \$1 billion. Scratch off tickets again led in lottery sales with purchases over \$613 million. Lotto games (Mega Millions, Powerball, Keno, and various daily draw games) contributed over \$400 million in sales.



Lottery sales percentages by category remain reasonably constant year to year. Sales fluctuations in multi-state lottery games are a result of increased sales when jackpots roll over to larger amounts.

The lottery sales distribution for 2018 were 63% paid to winners, 26% transferred to beneficiaries, 6% returned to retailers in commissions, and 5% for administrative expenses as shown on the following chart.



The Kentucky Lottery Corporation estimates that between \$8 million and \$10 million in prizes are unclaimed each year. The Senior Vice President of Communications for the Kentucky Lottery Corporation stated in an interview with WDRB in Louisville that there are two main reasons that lottery winnings go unclaimed. First, the winnings are a small amount and forgotten. Second, travelers purchase winning tickets but fail to cash the ticket before leaving Kentucky. Winning tickets must be presented for payment within 180 days. All unclaimed prizes go into a reserve fund for the KEES program.

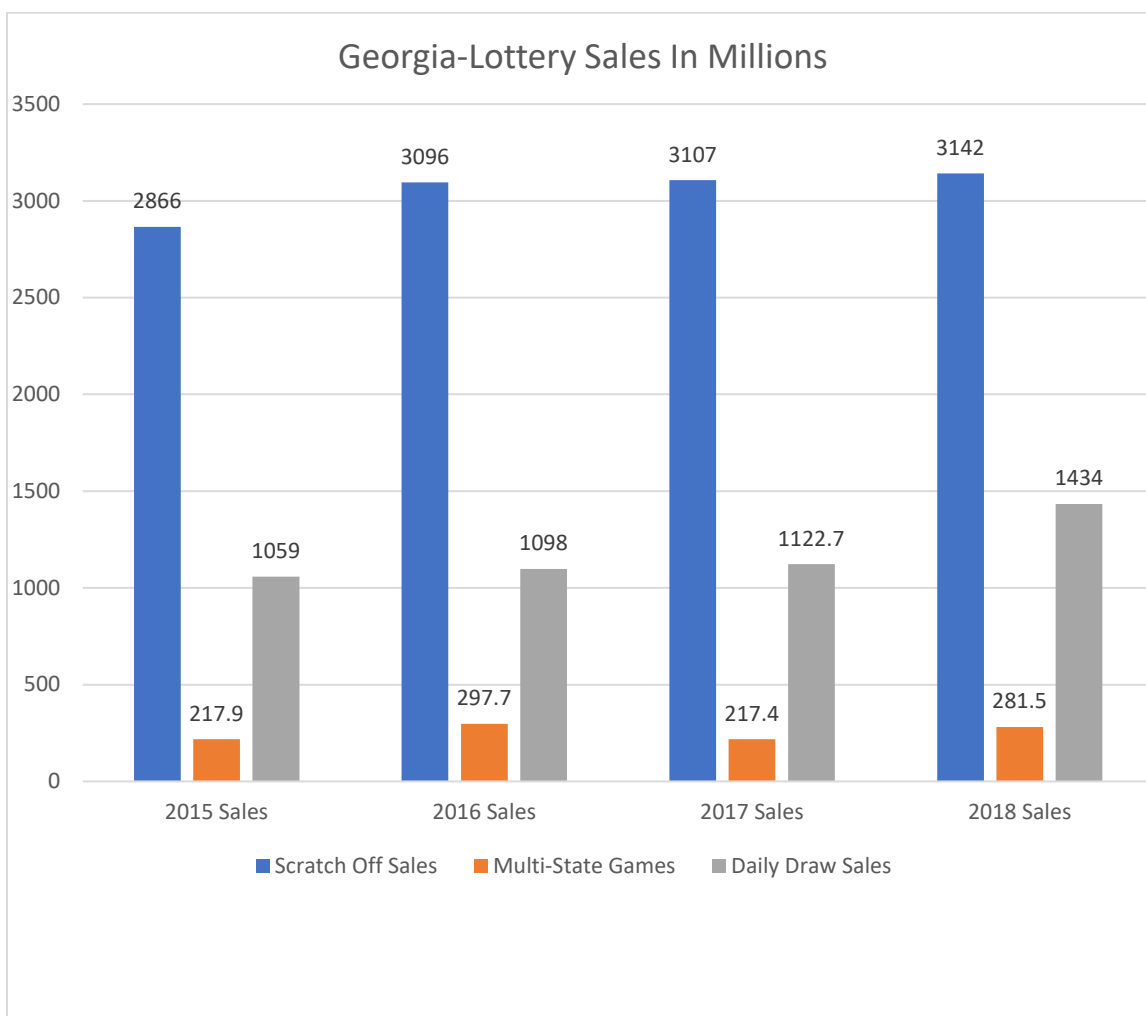
GEORGIA:

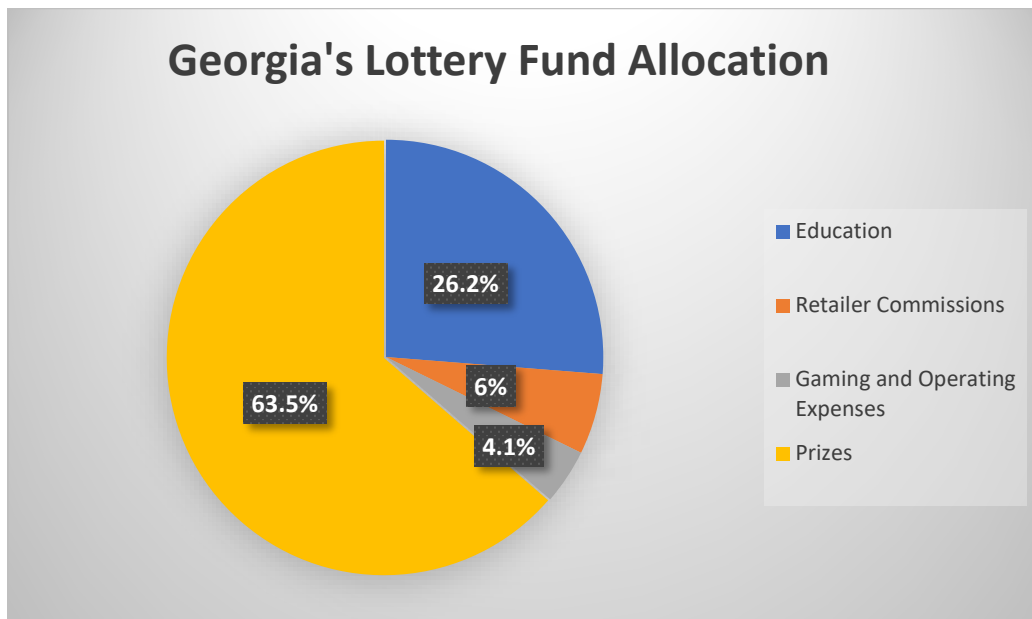
Georgia began lottery play in 1992. The Georgia lottery offers paper games only. The games available for play are several games where the player selects a series of numbers. These games include a daily pick three, daily pick four, and a Keno game. The number range depends on the game played. Ticket costs are \$1.00 or \$2.00 depending on the game. The lotto type games also require the player to select a series of numbers depending on the game played. Georgia also offers Mega Millions and Power Ball.

Georgia also offers multiple scratch off games costing between \$1.00 and \$30.00. Anyone age 18 and above is eligible to play Georgia lottery games. 100% of the lottery proceeds fund the

HOPE (Helping Outstanding Pupils Educationally) Scholarship and Pre-K educational programs. The HOPE scholarship program is available to all Georgia students who have achieved scholastic excellence and wish to pursue higher education at a HOPE eligible postsecondary institution.

The following charts show the breakdown of lottery sales distribution percentages and sales totals by category from 2015 forward. The biggest lottery seller in Georgia is the scratch-off games. Scratch-off game sales have increased each year from 2015 forward. The lucrative multi-state games help fuel other types of lottery game sales in Georgia.





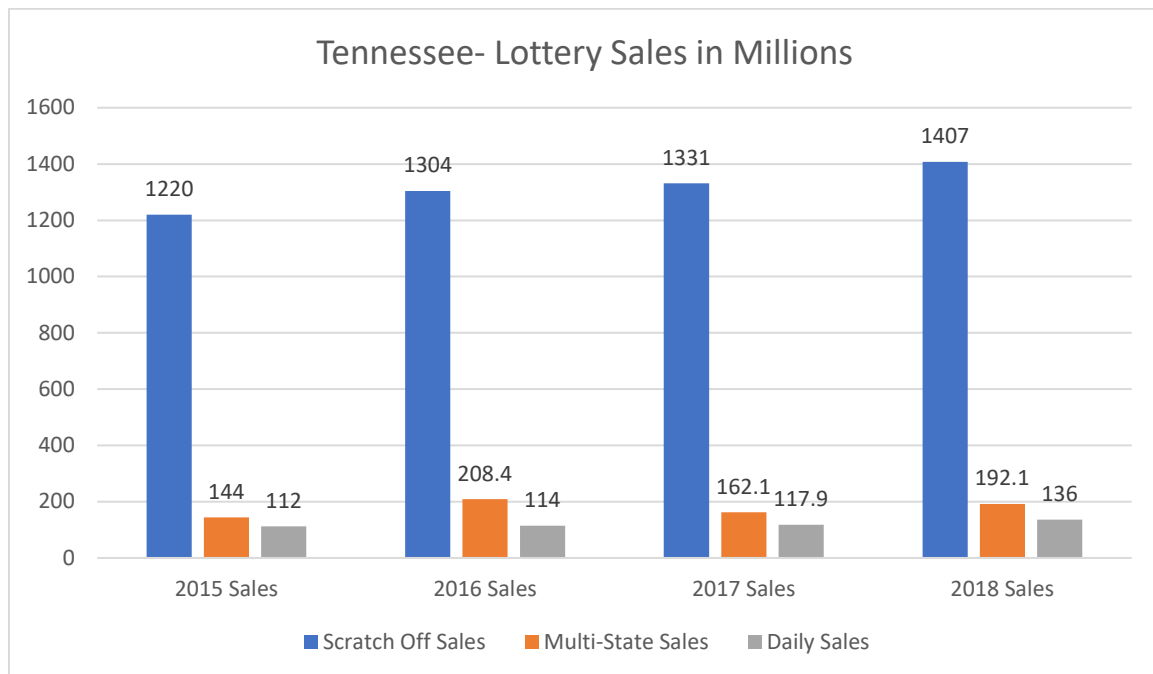
The Georgia Lottery Commission has distributed more than \$5 billion dollars since the inception of the lottery sending more than 1.6 million four-year-old children to Pre-K programs throughout the state and more than \$8 billion appropriated and distributed to more than 1.8 million HOPE Scholarship recipients.⁷

The Georgia Lottery's performance has been very successful compared to other lotteries on average. According to the Atlanta Journal Constitution, this did not just happen but it is the result talented and creative people continually creating new games to entertain and engage lottery players.⁸ One hundred percent of the lottery proceeds fund education programs and scholarships for deserving Georgia students.

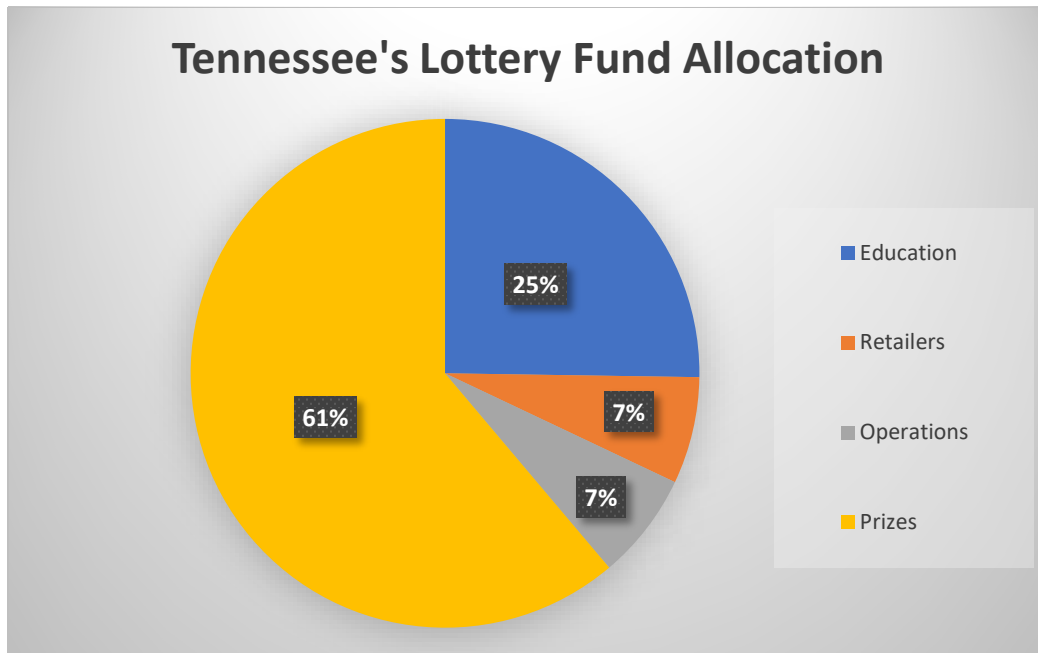
Unclaimed lottery prizes are returned to support the Georgia educational programs. Georgia also distributes \$400 thousand of unclaimed prizes to the Georgia Department of Behavioral Health and Developmental Disabilities to fund research, education, and treatment of gambling addiction.

TENNESSEE:

The Tennessee Educational Lottery began operating in December 2003 offering scratch off tickets sold through a series of partner retail outlets. Lottery sales began three weeks early and netted \$30 million for the month of January 2004. Tennessee retailers sold 10.8 million dollars of scratch off tickets on the first day. Educational programs in Tennessee are the sole beneficiary of lottery proceeds. The following chart shows the breakdown of the lottery sales distribution percentages and sales totals by category from 2015 forward.



The Tennessee lottery funds fifteen different educational scholarships and grants. Educational programs received \$421.7 million in fiscal year 2018. The distribution benefitted 132,560 Tennessee students. The lottery has provided more than 1.3 million scholarships and grants since 2004. Unclaimed prize money has provided \$13.5 million to support K-12 after school programs. Educational programs funded by the lottery has totaled \$4.6 billion from 2004 forward.⁹ The following chart reflects lottery sales allocations for a typical year.

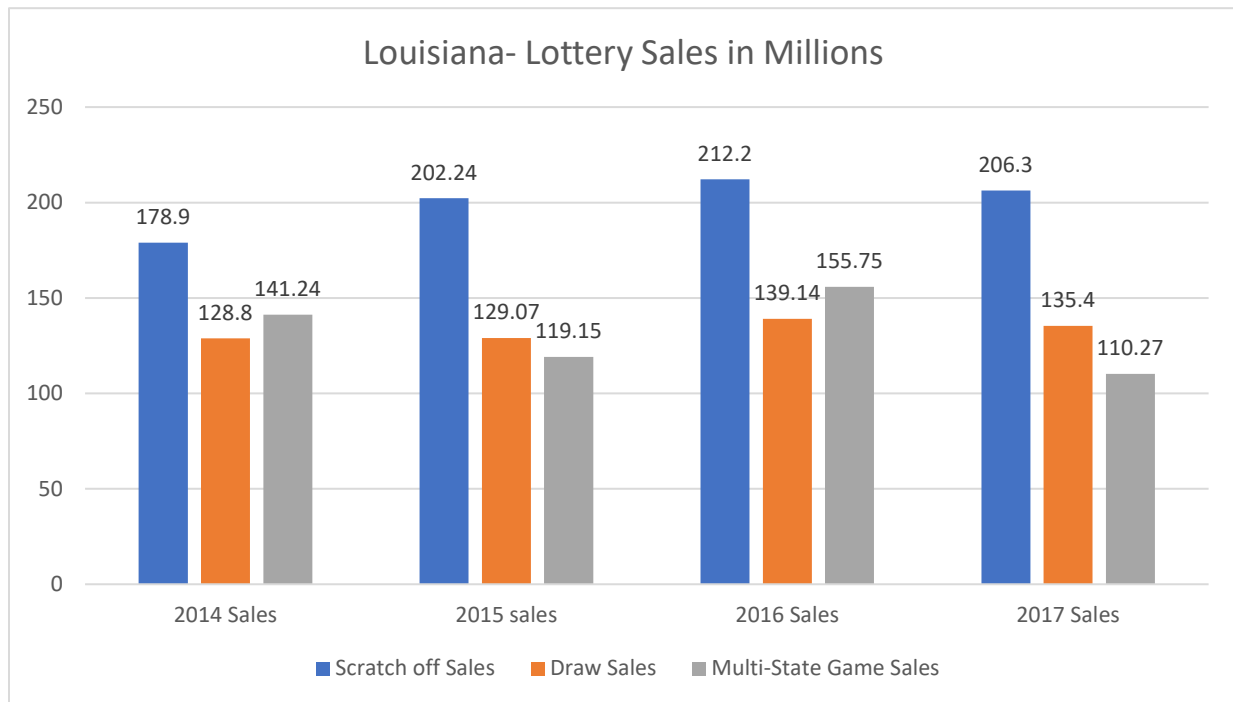


Tennessee distributes unclaimed lottery prizes to three funds. An amount not to exceed \$200 thousand annually is directed to the Department of Mental Health and Developmental Disabilities for treatment and education programs related to gambling disorders. Up to \$25 thousand annually may be directed to the Department of Corrections to offset the costs of incarcerating individuals convicted of lottery related felonies. The remaining unclaimed prize money annually will be distributed fifty percent to the Department of Education for after school programs and fifty percent returned to the pool for future prizes to be awarded or for special prize promotions.¹⁰

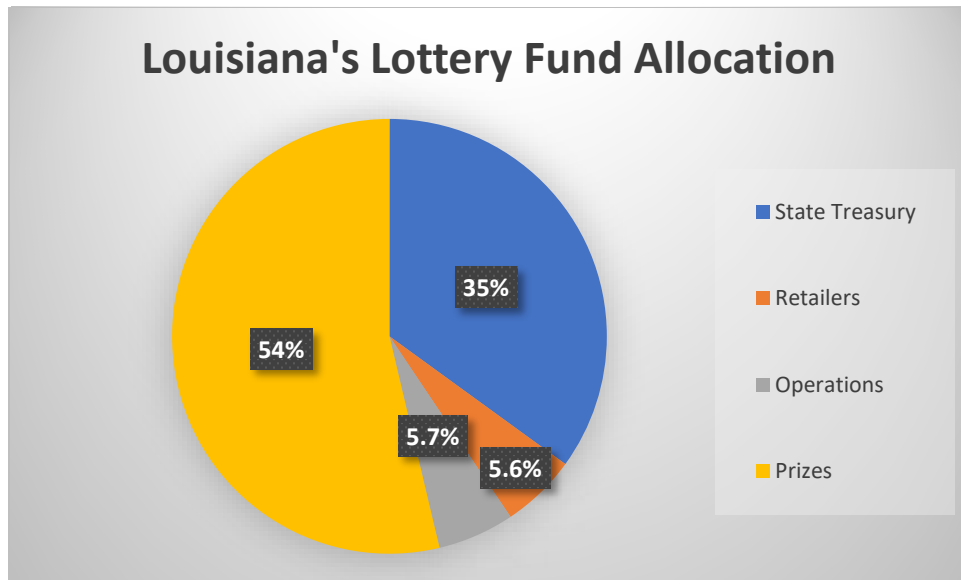
LOUISIANA:

The Louisiana Legislature proposed a state lottery act during the 1990 legislative session. The act was presented to Louisiana voters as a constitutional amendment in the November elections. The voters approved the amendment by a 69% to 31% margin. The Louisiana Lottery Corporation was created to administer the lottery.¹¹ The Louisiana lottery began play in September 1991 with sales of scratch-off tickets. Various types of draw games were added beginning in 1992. Louisiana

began participating in the multi-state draw games Power Ball and Mega Millions in 1995 and 2011 respectively.



Louisiana Lottery Corporation is required by law to transfer at least 35% of lottery revenues to the state treasury. More than \$3.5 billion has been transferred since the inception of the lottery. The average transfer since 1991 is \$132.7 million annually.¹² A constitutional amendment was approved by Louisiana voters in 2004 to direct lottery proceeds to the Minimum Foundation Program which funds K-12 education programs in Louisiana.¹³



The Louisiana Lottery Corporation supports the work of the Department of Health and Hospitals- Office of Behavioral Health and the Louisiana Association on Compulsive Gambling by printing the problem gambling helpline number on all tickets sold. \$500 thousand of annual lottery proceeds transferred to the state treasury are earmarked for problem gambling programs.

Draw game winning tickets must be redeemed within 180 days. Unclaimed prizes are transferred to an unclaimed prize fund which is returned to players by way of increased payouts on scratch off games or second chance drawings.

WEST VIRGINIA:

The citizens of West Virginia approved an amendment to the state constitution authorizing a state sponsored lottery in the 1984 November election by a 67% to 33% margin. West Virginia began sales of scratch-off style tickets on January 9, 1986. More than \$1.5 million were sold the first day. West Virginia's total revenues for the first year exceeded \$53 million.¹⁴

Present day lottery games played in West Virginia include multiple scratch-off games, draw games Daily Three, Daily Four, Keno, and Cash 25, and multi-state games Powerball and Mega Millions. West Virginia also offers video lottery games at the state's four racetrack casinos and

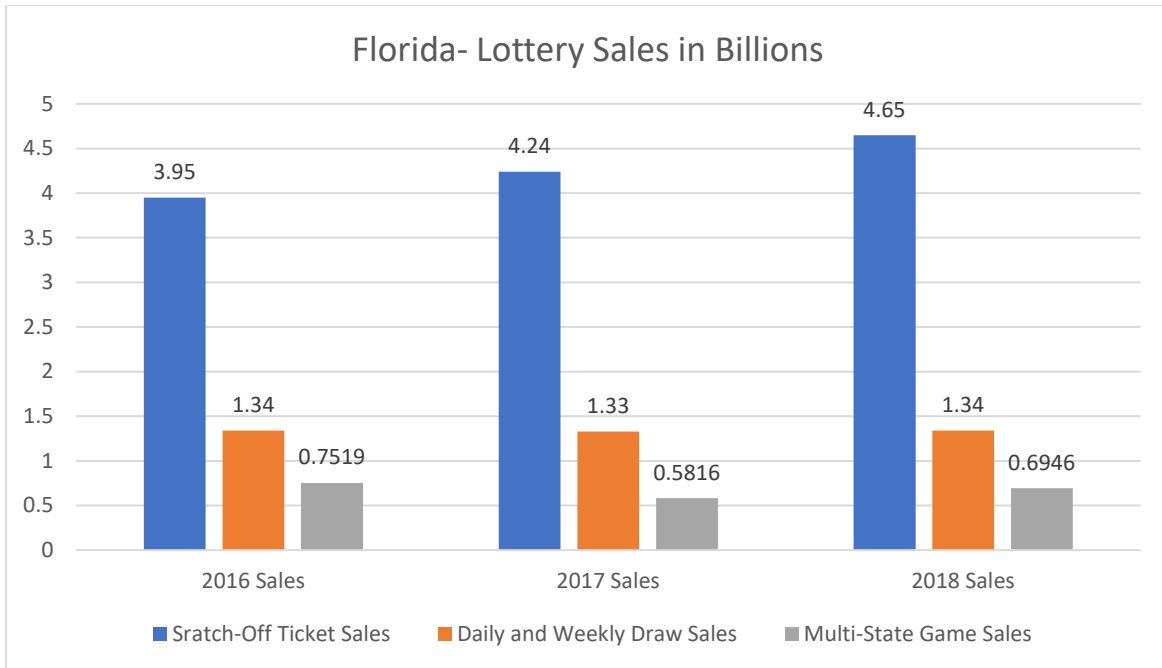
the Greenbriar Resort complex. These games produce sales of more than \$1.1 billion annually and provides over \$520 million in funds for various beneficiaries in West Virginia yearly.

Lottery revenues help fund several programs in West Virginia. The main beneficiaries include education (K-12 and Higher Education), senior citizen programs, and tourism promotion. Since 1986, West Virginia has invested more than \$3.3 Billion from Lottery proceeds into education.¹⁵ Unclaimed prizes are returned to the prize fund for second chance drawings, additional prizes for games, and other promotions. No visual tables are available for West Virginia because the lottery data contains revenues from casinos at the four race tracks and the Greenbriar Resort.¹⁶

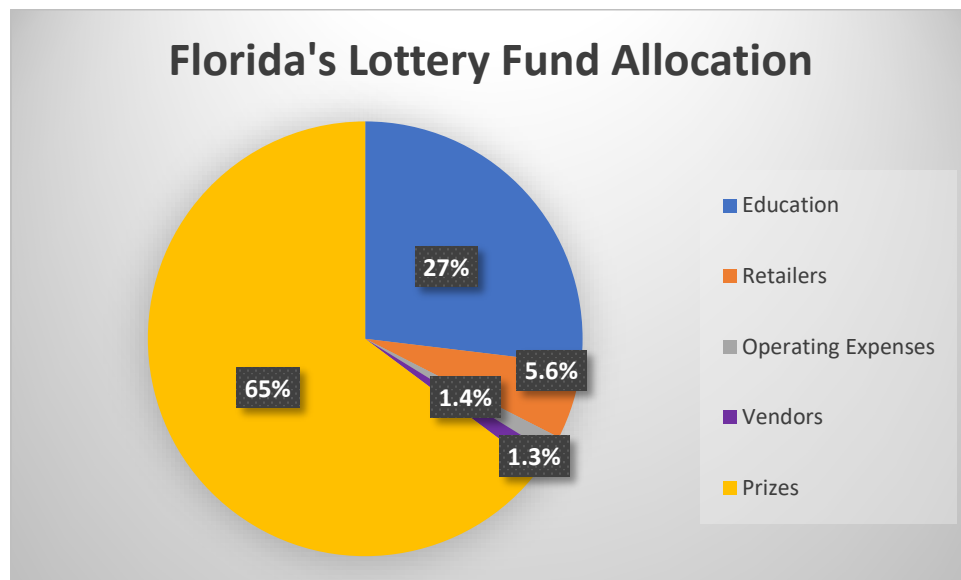
Florida:

Florida voters approved a constitutional amendment to authorize a lottery in November 1986 by a 67% to 33% margin. Lottery sales began in January 1988 with the first scratch-off tickets. \$95 million in scratch-off tickets were sold during the first two weeks.¹⁷

Florida offers multiple lottery games just as the other states nationwide. Current lottery games played in Florida include daily draw games, weekly draw games, and the multi-state games of Powerball and Mega Millions. One hundred percent of the Florida lottery profits go to the Education Enhancement Trust Fund. More than \$35 billion has been contributed to this fund since 1988. \$5 billion has been contributed to Florida's Bright Futures Scholarship program sending over 800,000 Florida students to state colleges.¹⁸



Average annual Florida lottery fund allocations are listed on the following pie chart. Florida has contributed over one billion dollars annually for the past 16 years to the Education Enhancement Trust Fund. Lottery dollars have also helped build or renovate more than 800 schools through the Classrooms First and Classrooms for Kids programs.¹⁹

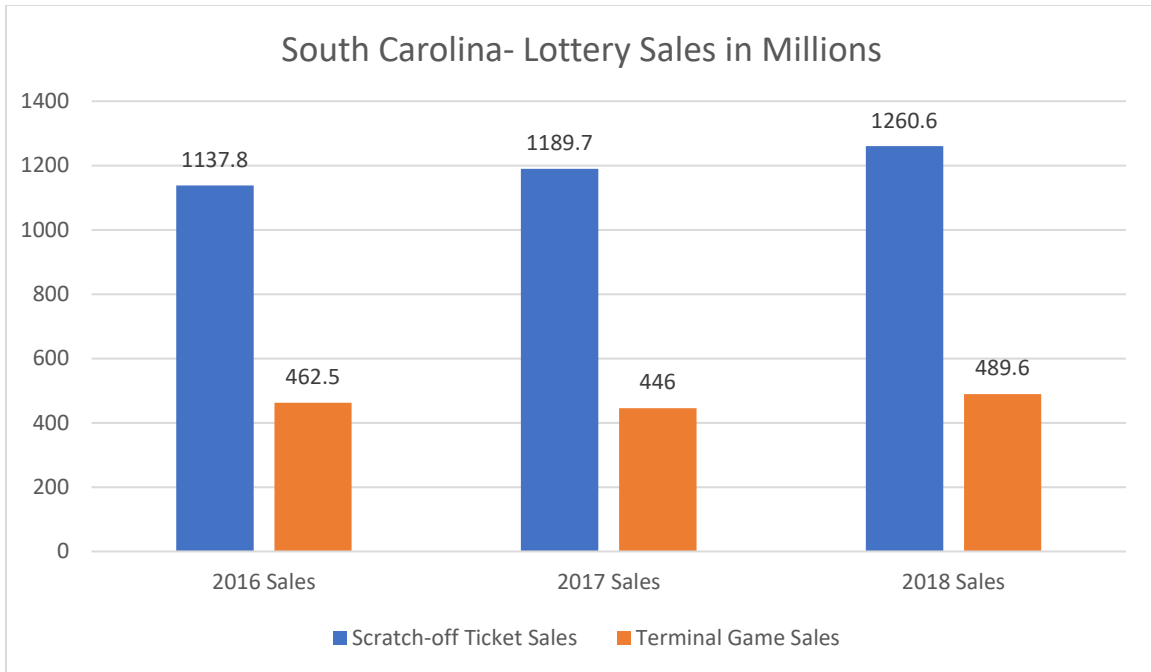


The lottery remains extremely popular with Florida residents. Millions of citizens continue to show support for education in Florida by purchasing billions of dollars of Florida lottery products annually. Florida law requires that 80% of unclaimed prize money be transferred to the Educational Enhancement Trust Fund, the other 20% goes toward future prizes.

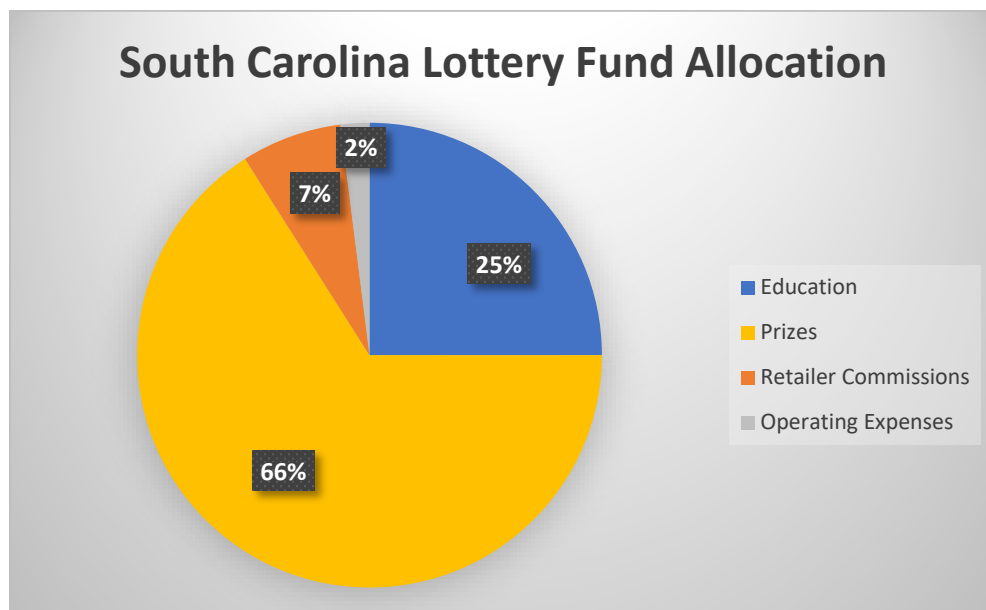
South Carolina:

South Carolina voters approved an amendment to the state constitution allowing a state lottery during the elections in November 2000. The lottery amendment passed 54% to 46%. The vote faced opposition from legislative republicans and South Carolina religious leaders. Players must be eighteen or over to purchase lottery tickets of any kind.

The South Carolina lottery offers the same games that other lottery states provide. South Carolina groups the games into two categories, instant games and terminal games. The instant games are the paper scratch-off games. Terminal games include the daily number draw games and the national lottery games, Mega Millions and Powerball. These games are paper lottery games played by selecting a series of numbers at lottery terminal machines. South Carolina lottery games are sold statewide in selected gas stations, convenience stores, and grocery stores. The retailers are paid a 7% commission for selling the lottery games. The following chart depicts lottery sales for 2016 through 2018.



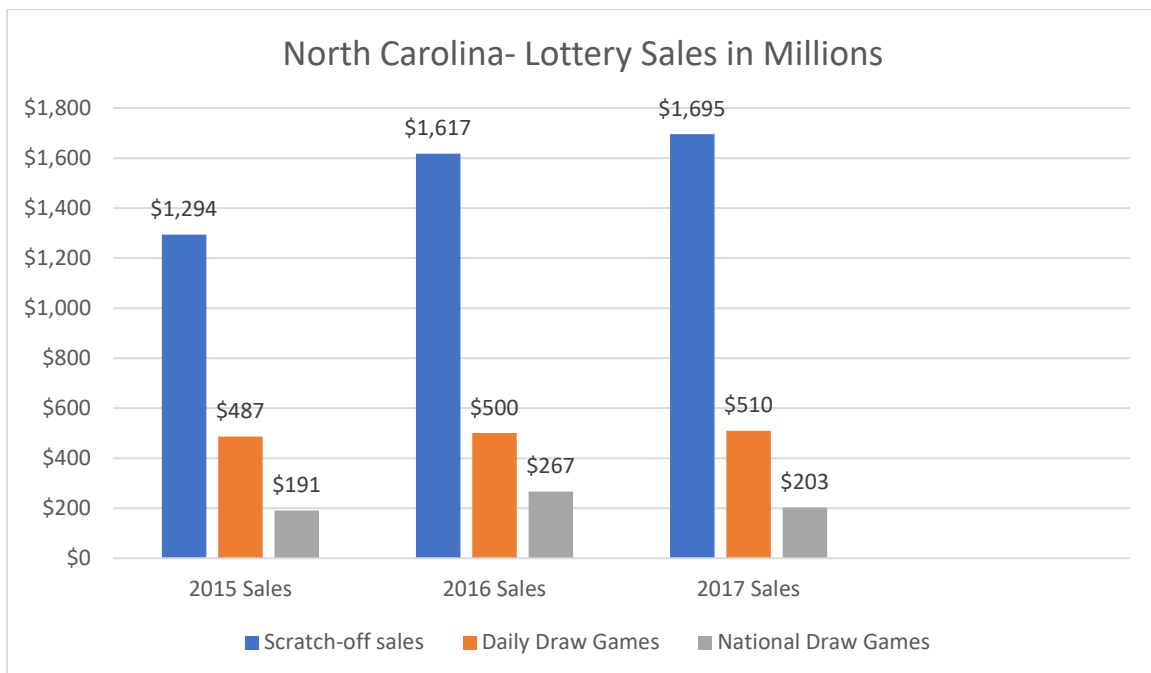
All lottery proceeds are earmarked for South Carolina education programs.²⁰ An important aspect of the South Carolina Lottery Act is that the proceeds must be used to supplement not supplant existing funds for education. Programs funded by lottery proceeds are higher education, K-12 applications, and community education.²¹ More than \$4.484 billion has been transferred to education programs since January 2002.



Unclaimed prizes must be deposited in the lottery education account. These amounts are used for school bus purchases and maintenance, South Carolina Department of Alcohol and Other Drug Abuse Services, and problem gambling prevention and treatment.²²

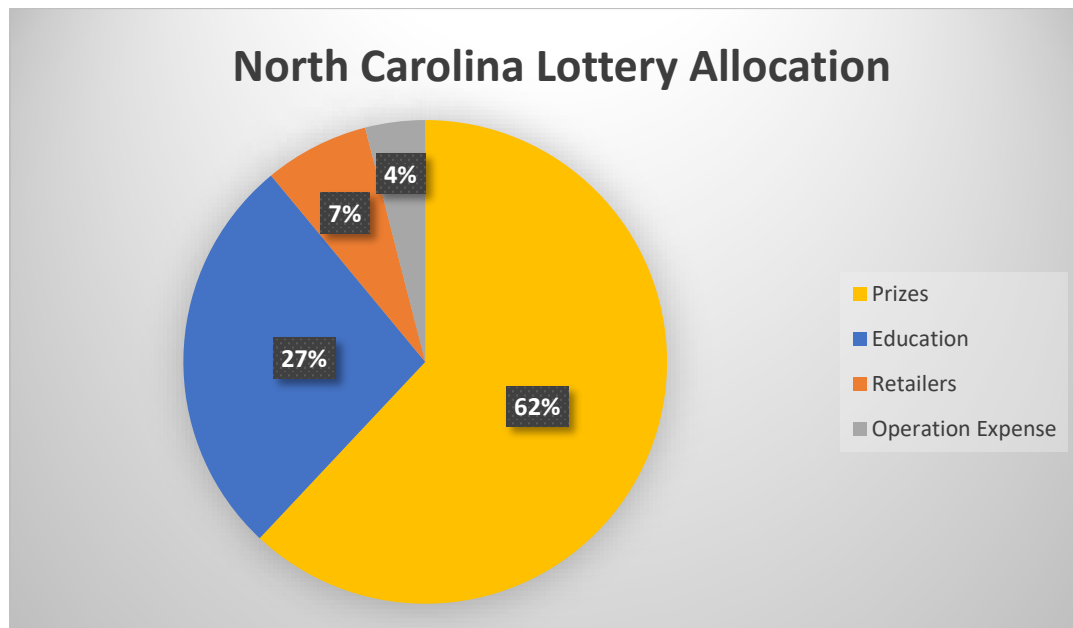
North Carolina:

The North Carolina lottery began in August 2005. Lottery play began in March 2006 with four instant ticket (scratch-offs) games. The nationwide draw game, Powerball, was added in the Spring of 2006. North Carolina's daily draw games were added in April 2009. Mega Millions became available for purchase in January 2010. Lottery sales for the years 2015 through 2017 are listed in chart below.



One-hundred percent of the lottery proceeds benefit education programs in North Carolina. Lottery funds help fund teacher salaries in grades K-3, school construction, transportation, need

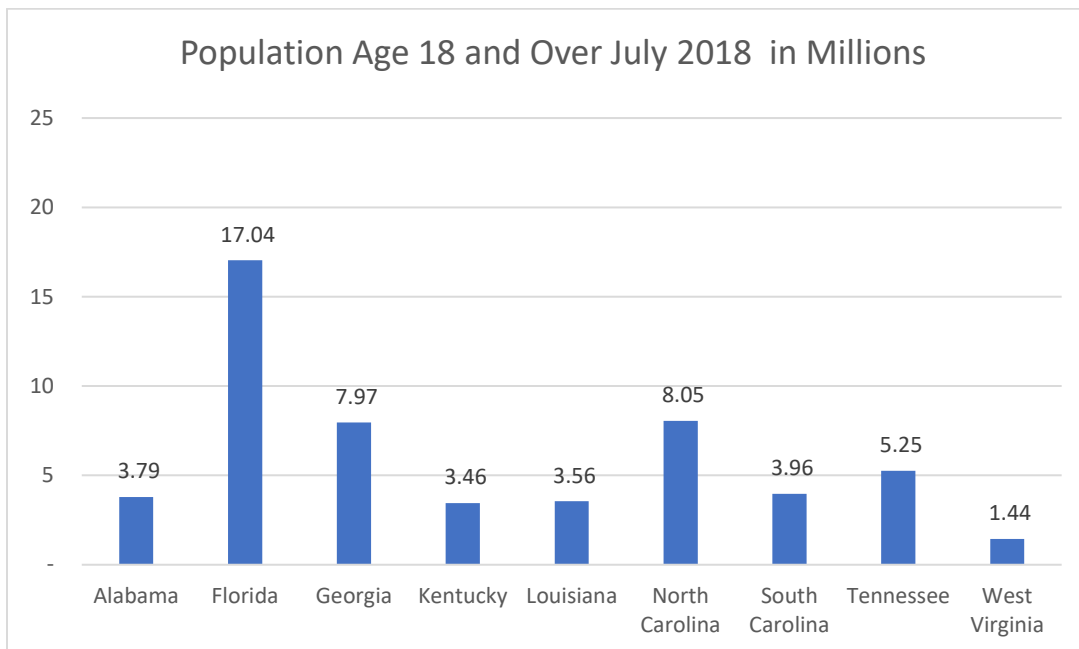
based scholarship programs, and pre-k programs for at risk four-year old children. More than \$6.6 billion has been allocated for North Carolina education programs since 2006.²³

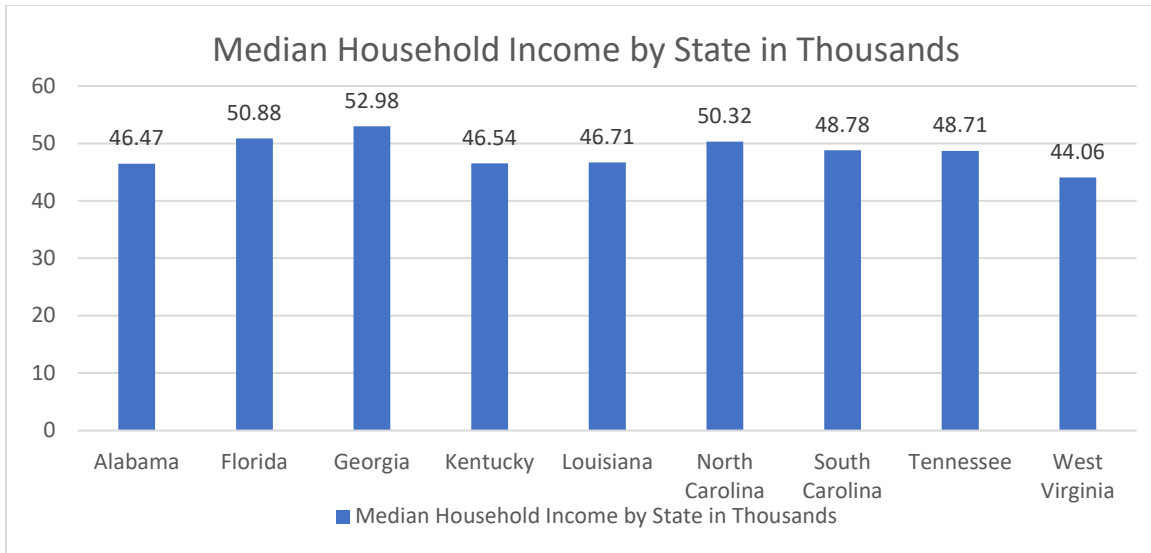


Each year the legislature evaluates the educational programs funded by the lottery and makes adjustments to the percentages given to the individual programs. Last year over \$708 million dollars was distributed to educational programs in North Carolina. Unclaimed prize money is split equally between the state education fund and back into prizes. In 2018 unclaimed prize money totaled over \$31,000,000.

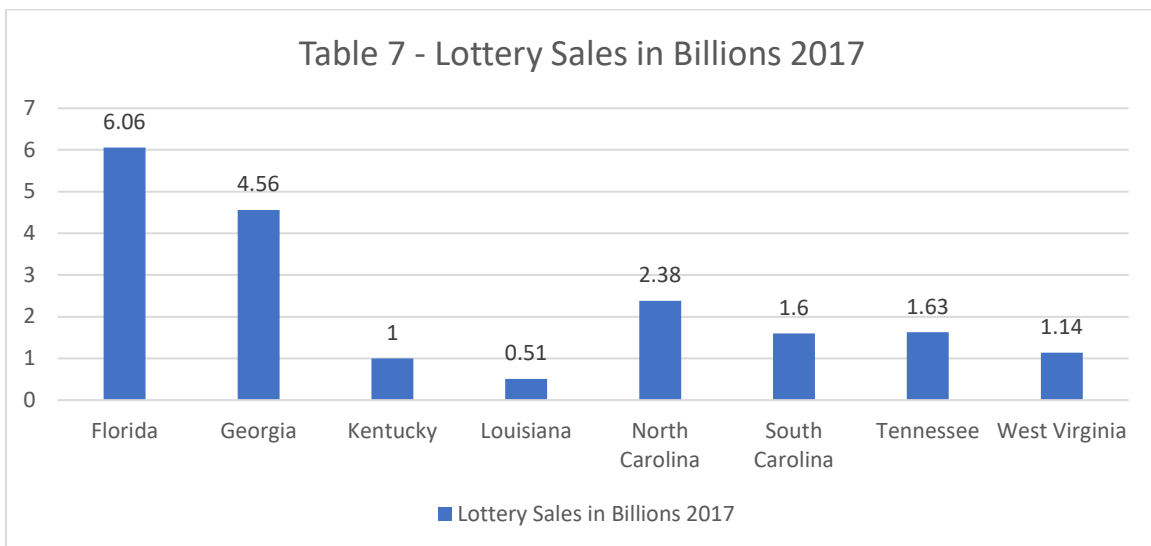
LOTTERIES AND MEDIAN INCOME/POPULATION NUMBERS

The State Lottery in Alabama team concentrated on lotteries in the southeastern portion of the United States. Several of the southeastern states are close in median income numbers and population when compared to Alabama. The following charts depict population in the states researched and median income of each state. Over 18 populations of Kentucky, South Carolina, and Louisiana are very similar to Alabama as well as their median income.



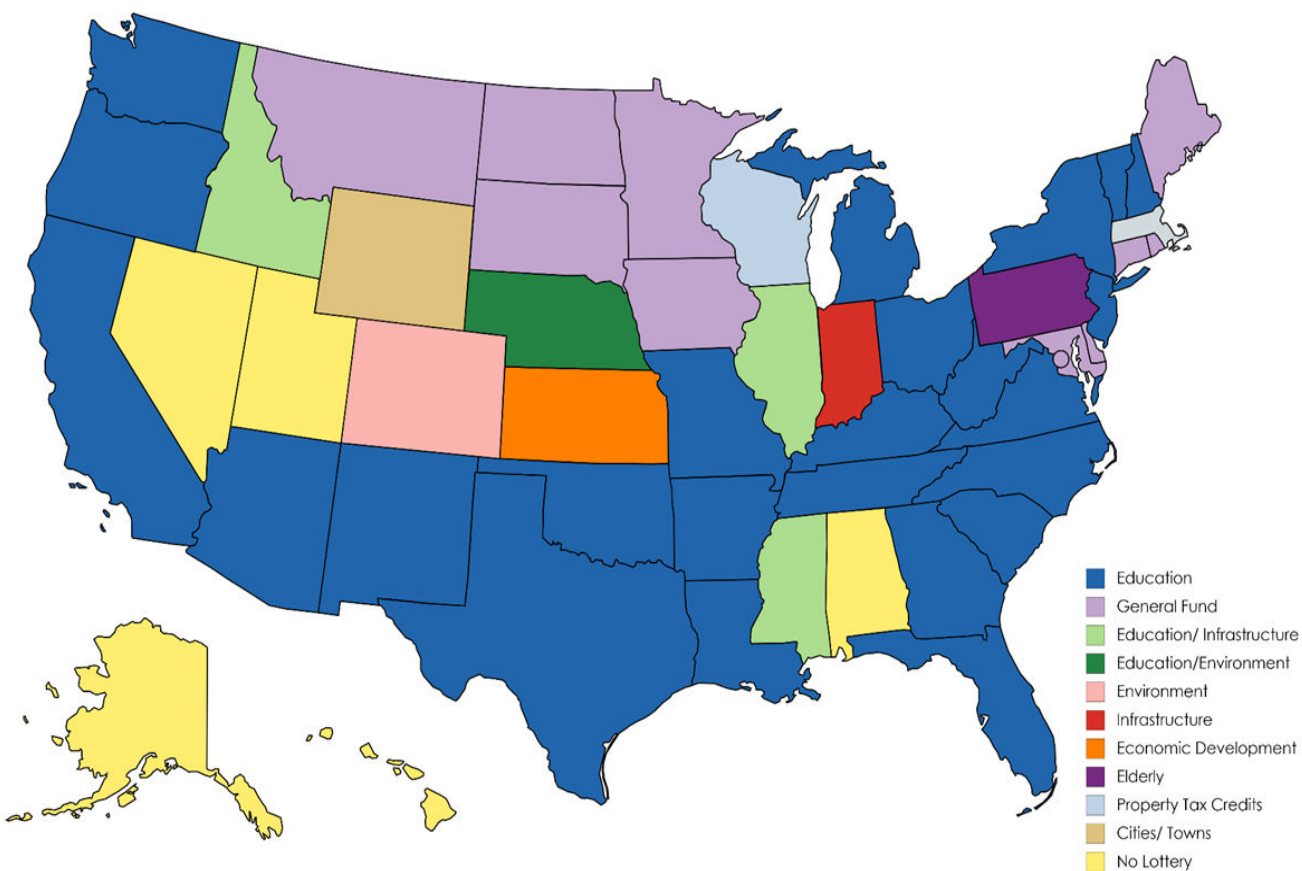


The following chart depicts lottery sales amounts which reflect the largest seller in each state, scratch-off tickets, state daily draw games (not included are weekly or bi-weekly state draw games), and multi-state games (Powerball and Mega Millions). The age to play the lottery in the southeastern states is primarily 18. The age of 21 is required in two states to play. The team used over age 18 in all state populations totals.²⁴

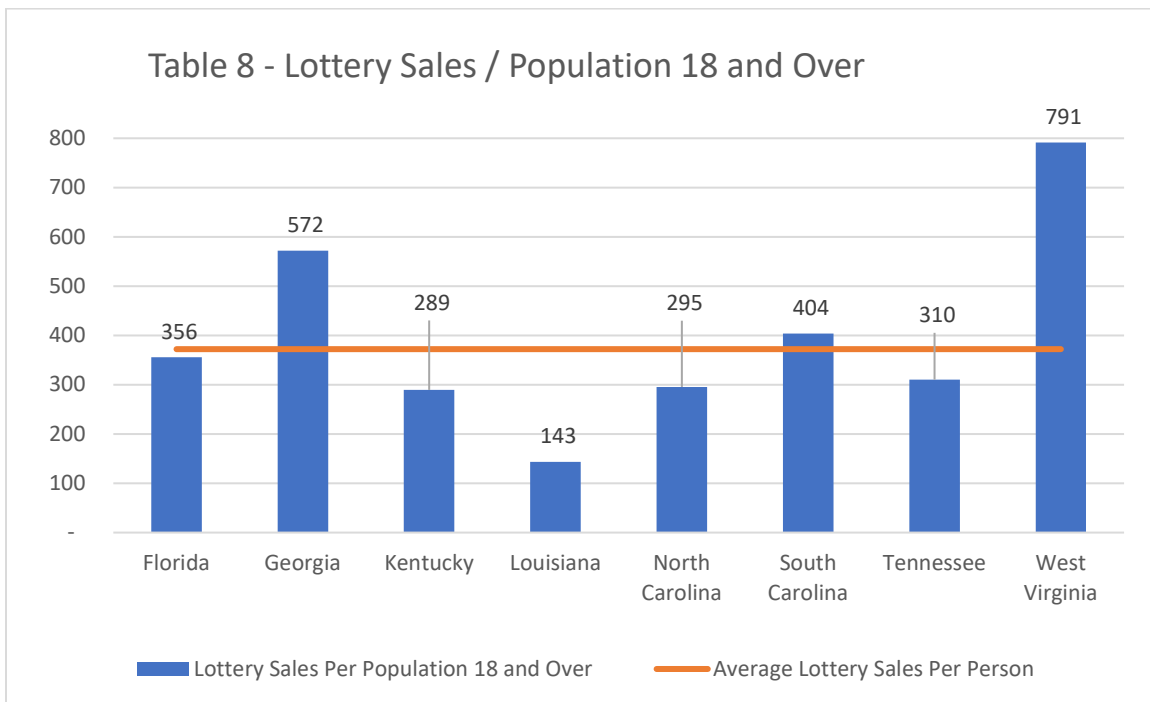


SOCIOECONOMIC IMPACTS IN OTHER STATES

The forty-four states that sponsor a lottery use the proceeds for multiple beneficiaries. Education by far leads the way in 29 states. The map below shows the various programs funded by state lotteries.



Using data from the United States Census Bureau and lottery sales information from the state lottery reports, the following chart depicts average lottery purchases per state for persons age 18 and over by state. The data indicates average lottery purchases annually of \$372.00 per person age 18 and over in the southeastern states.



NEGATIVE IMPACTS

Odds of Winning:

Most organizations opposed to lotteries cite that the odds of winning are extremely low. These organizations quote the odds of winning the biggest jackpot. These odds can range up to 1 in 14 billion depending on the range of numbers the players have to choose from. What they usually do not mention is there are higher odds of winning smaller prizes. All lottery states offer prizes based on picking at least three of the numbers drawn.

Addictions:

Numerous studies have been published by reputable organizations regarding problem gambling. However, our team could not find any data on gambling problems caused specifically by playing state lotteries. In the United States it is estimated that 2.6% of the population (approximately 10 million people) suffer from some sort of gambling problem.²⁵ Costs to U.S. economy are estimated to be up to \$6 billion annually. These figures consider all forms of gambling not just lottery play.

Addiction Assistance:

The team was not able to locate any studies or data to indicate that playing state lotteries led to gambling problems or addictions. However, every state with a lottery allocates some money for problem gambling programs and treatment. Most of the allocation in other states come from unclaimed prizes.

MISCONCEPTIONS

The North American lottery industry came to life again in 1964 when New Hampshire began a sweepstakes lottery.²⁶ Currently 44 states operate lotteries to create funding and the lotteries offer various games. Research has revealed opposition criticism of a lottery's effects on the state's players. Concerns include describing the lottery as a tax, that lotteries prey on the poor, and that most lottery tickets are purchased by the poor. It was prudent for the team to address the conceptions that an Alabama lottery could have negative effects.

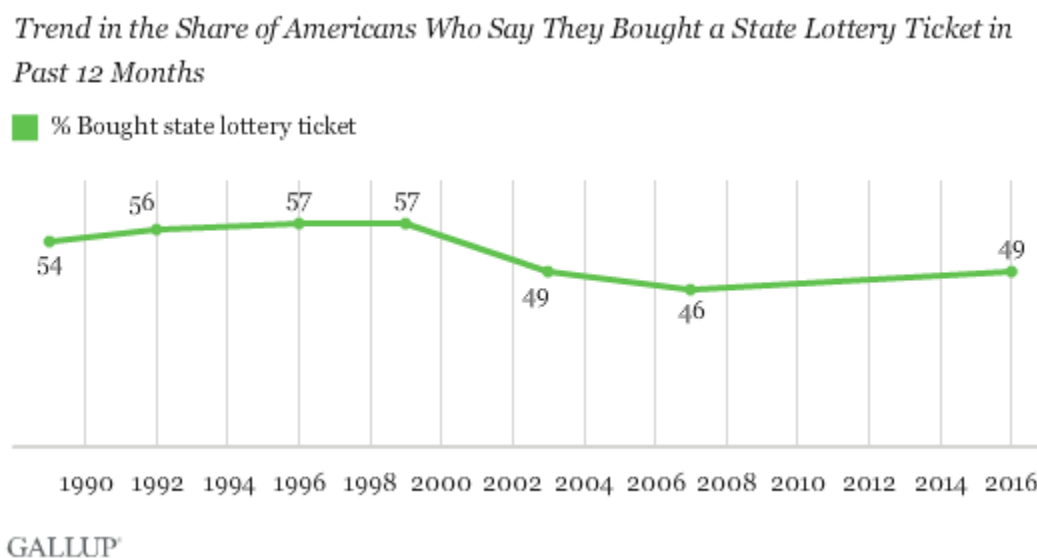
A common misconception is that lotteries are a form of regressive taxation—meaning lower-income players contribute more than middle- or higher-income players. Research was conducted to define taxes and lotteries. Merriam-Webster defines a lottery as a way of raising money for a government, charity, etc., in which many tickets are sold and a few of the tickets are chosen by chance to win prizes.²⁷ Taxes are defined as an amount of money that a government requires people to pay according to their income, the value of their property, etc., and that is used to pay for the things done by the government.²⁸ Both definitions address taxes and lotteries as a means of providing revenue for governments. But there is a substantial difference between the two. A key term in the tax definition is “requires.” Taxes are a legal requirement for a government's constituents. Participating in a lottery is voluntary.

Research led to discovering that the opposition states lotteries prey on the poor and most lottery tickets are purchased by the poor. This position is driven by beliefs that low-income Americans purchases tickets more often than middle or higher income. Research has shown mixed results on this issue.

Studies have shown that lower-income players spend more money on lottery tickets than wealthier players.²⁹ A survey by Bankrate found 28 percent of Americans who earn less than \$30,000 a year play the lottery at least once a week.³⁰ They spend \$412 a year on tickets.

Households with incomes of \$75,000 and above spent \$105 a year on lottery tickets, a quarter of what low-income homes spent, the August survey of 1,000 Americans age 18 and older found.³⁰

The position that low-income Americans purchase tickets more often than middle or higher income was countered by multiple polls. The polls were performed four separate times over a sixteen-year period. A Gallup article highlighted statistics on player participation in the lottery: *“Roughly half of Americans say they have bought a state lottery ticket within the last year, similar to the figures recorded in 2003 and 2007, but down considerably from the 57% who said they played the state lottery in 1996 and 1999. This trend has occurred even as the number of states with lotteries grew over this period from 37 states and the District of Columbia to 44.”*³¹



The article provided statistics for players’ annual income, education and gambling behavior. *“The latest Gallup update, however, shows that Americans whose annual household income is less than \$36,000 per year were substantially less likely than higher-income Americans to say they have purchased a state lottery ticket within the past year. Four in 10 lower-income Americans say they bought a lottery ticket during that time, while more than half of middle- (56%) and upper-income Americans (53%) say the same.”*³¹

U.S. Gambling Behavior by Annual Income			
	Less than \$36,000	\$36,000 to \$89,999	\$90,000+
	%	%	%
Bought state lottery ticket in past 12 months	40	56	53

GALLUP, JUNE 14-23, 2016

“Less than half of Americans (47%) with a high-school diploma or less say they have purchased a state lottery ticket — on par with those with postgraduate education (45%). However, more than half of Americans with some college, as well as those whose highest education is a college degree, say they have bought a state lottery ticket (53% each).”³¹

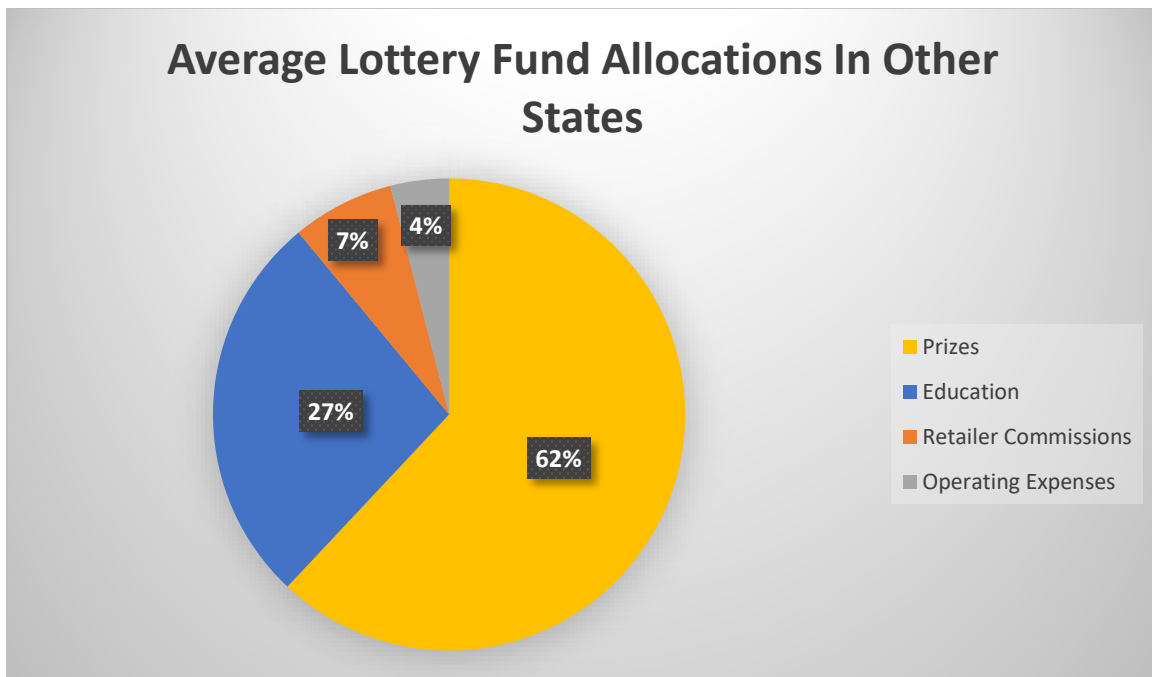
U.S. Gambling Behavior by Education				
	High school or less	Technical degree or some college	College degree	Postgraduate education
	%	%	%	%
Bought state lottery ticket in past 12 months	47	53	53	45

GALLUP, JUNE 14-23, 2016

These results mirror Gallup studies from 1999, 2004 and 2007 *“In each of those three years, higher-income Americans were more likely than lower-income Americans to say they gambled. In two of the three, Gallup found that more highly educated Americans were more likely than less-educated Americans to say they gambled.”³¹*

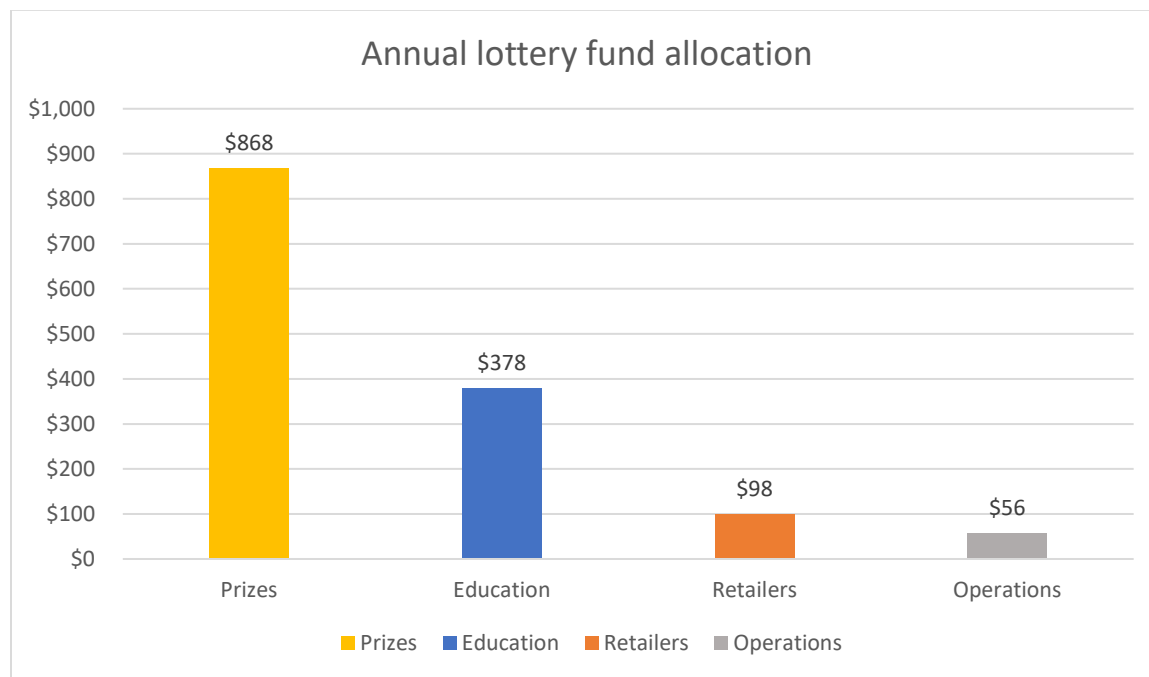
RECOMMENDATIONS

After researching several states with a lottery, we recommend that Alabama implement a state lottery with 100% proceeds going to education. Based on states with similar demographics, (South Carolina, Kentucky, and Louisiana) Alabama could expect to average up to \$1.4 billion in lottery ticket sales annually.



The population of Alabama citizens age eighteen and over is 3.79 million according to the United States Census Bureau. If Alabama residents age eighteen and over purchased an average of \$372 per person annually, the state could expect up to \$1.4 billion in annual sales (3.79 million people X \$372 in annual purchases = \$1.4 billion).

According to the research data, Alabama's annual lottery fund allocation based on 1.4 billion in sales amounts could be:



Scratch-off tickets are the largest seller in all state lotteries. All other states with a lottery also have daily draws, and the national lotteries Powerball and Mega Millions. Alabama would benefit from including the same type lottery games. Research conducted on other states indicate Alabama would see immediate benefits from scratch-off sales and daily draws. Alabama should also apply to join the national lotteries, Powerball and Mega Millions, if a constitutional amendment is approved by the people and a lottery implemented.

Alabama legislators have wrestled with the way the lottery proceeds should be allocated in the past. Alabama ranks 50th in over-all education nationally. Alabama ranks 47th in Higher Education and 49th in Pre-K-12.

Earlier in 2019, it was announced by AL.com that Alabama has seventy-six schools in twenty-seven school districts on the “failing” schools list.³² We know that money from a lottery will not fix all the problems with Alabama’s education system, but additional funds could potentially offer Pre-K programs, reading programs, technology in the classrooms, scholarships and other programs to children across Alabama. By implementing a state lottery with one-hundred percent proceeds allocated to education, Alabama children will greatly benefit.



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