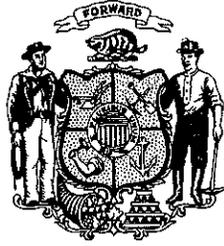


# State of Wisconsin

SENATE CHAIR  
**Alberta Darling**

317 East, State Capitol  
P.O. Box 7882  
Madison, WI 53707-7882  
Phone: (608) 266-5830



ASSEMBLY CHAIR  
**John Nygren**

308 East, State Capitol  
P.O. Box 8593  
Madison, WI 53708-8953  
Phone: (608) 266-2343

## Joint Committee on Finance

### MEMORANDUM

To: Members  
Joint Committee on Finance

From: Senator Alberta Darling  
Representative John Nygren

Date: February 27, 2019

Re: 14-Day Passive Review Approval – DOR

Pursuant to s. 565.02(7), Stats., attached is a 14-day passive review request from the Department of Revenue, received on February 27, 2019.

Please review the material and notify **Senator Darling** or **Representative Nygren** no later than **Monday, March 18, 2019**, if you have any concerns about the request or if you would like the Committee to meet formally to consider it.

Also, please contact us if you need further information.

Attachments

AD:JN:jm



State of Wisconsin • DEPARTMENT OF REVENUE

2135 RIMROCK ROAD • P.O. BOX 8933 • MADISON, WISCONSIN 53708-8933  
FAX (608) 266-5718 • <http://www.revenue.wi.gov>

February 27, 2019

FEB 27 2019  
St. Finance

The Honorable Alberta Darling, Co-Chair  
Member, Joint Committee on Finance  
317 East, State Capitol  
Madison, WI 53708

The Honorable John Nygren, Co-Chair  
Member, Joint Committee on Finance  
309 East, State Capitol  
Madison, WI 53708

Dear Senator Darling and Representative Nygren:

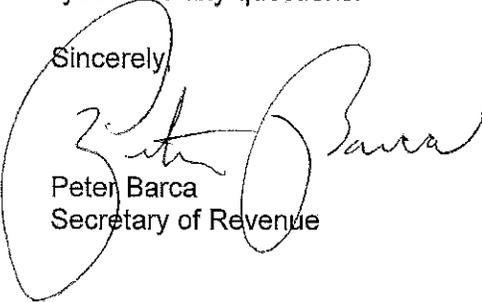
Section 565.02(7), Wis. Stats., requires a report to the Joint Committee on Finance no later than March 1 of each year, containing the following information:

- A. An estimate of lottery ticket sales and prize payment for the current and subsequent fiscal year;
- B. The prize payout percentages for each type of lottery game offered; and
- C. The Lottery's evaluation of the impact that prize payout ratios are likely to have upon ticket sales and operating costs, and upon the Lottery's constitutionally mandated mission to maximize revenue for property tax relief in Wisconsin.

The report, which is attached, recommends a prize payout of 61.30% for FY19 and proposes a payout of 61.30% for FY20.

Please feel free to contact me should you have any questions.

Sincerely,

  
Peter Barca  
Secretary of Revenue

Enclosure

# Lottery Sales and Prize Payout

Report to the Joint  
Committee on Finance

Wisconsin Department of Revenue  
Lottery Division

February 27, 2019



**WISCONSIN  
LOTTERY**

## EXECUTIVE SUMMARY

The Wisconsin Lottery's mission is to provide property tax relief to Wisconsin homeowners by offering entertaining games while operating with security, integrity and social responsibility. The Lottery's sales outlook and ability to generate funds for property tax relief remain positive, with continued historically high levels of ticket sales.

Since the sale of the first ticket on September 14, 1988, the Lottery has generated more than \$4.3 billion in property tax relief for Wisconsin homeowners, over \$920 million in compensation for Wisconsin businesses and more than \$8.2 billion in prizes for players.

- The Lottery had its highest overall sales year in Fiscal Year (FY) 2018.
- Sales of instant scratch tickets set a record for the seventh consecutive year, and lotto ticket sales were the second highest in Wisconsin history.
- Pull-tab ticket sales, while much smaller than the other two product lines, remained fairly consistent with recent fiscal years.

Sales should remain strong in FY19 and FY20 as the Wisconsin Lottery continues to improve its game mix in all product categories. The projected breakdowns for FY19 and FY20 are as follows:

- Instant scratch sales: \$421.8 million
- Pull-tab sales: \$938,799
- Lotto sales: \$239.1 million
- Total sales: \$661.9 million

For FY20, the Lottery proposes an overall prize payout of 61.30 percent, consistent with the projected 61.30 percent payout in FY19. The projected breakdown for FY20 is as follows:

- Instant scratch prize payout of 67.39 percent, to meet growing consumer demand for higher price-point games
- Pull-tab payout of 62.92 percent
- Lotto game payout of 50.55 percent

Operating expenses, as a percentage of gross revenues, remain low. In FY18, administrative expenses were \$37.0 million, 5.55 percent of gross Lottery revenue, well below the 10 percent cap set by state statute. The Wisconsin Lottery continues to be one of the most efficient lotteries in the country, with the nation's fifth lowest per capita expenses in FY17, the latest year for which national figures are available.

The Lottery continues to maximize funds available for property tax relief. The proposed prize payouts will result in significant revenues for that purpose.



## WISCONSIN LOTTERY PRIZE PAYOUT REPORT 2019

### LOTTERY SALES

Fiscal Year (FY) 2018 sales were \$667.4 million, the highest in Wisconsin Lottery history. Instant tickets (scratch and pull-tab combined) achieved the seventh consecutive year of record-breaking sales, at \$420.4 million. Sales of lotto tickets (e.g., *Powerball* and *Badger 5*) were \$247.0 million, the second highest in Wisconsin Lottery history.<sup>1</sup>

The Lottery's sales outlook and ability to generate funds for property tax relief remain strong. The Lottery projects that gross revenues from the sale of lottery tickets will be \$661.9 million in FY19. Gross revenues are also projected at \$661.9 million in FY20.<sup>2</sup>

Lottery sales are difficult to project due to the volatility of jackpot game sales. These sales are largely driven by the size and frequency of the jackpots. Approximately 26 percent of all Lottery sales in FY18 came from these games.<sup>3</sup> The Lottery has established a range to forecast future jackpot game performance based upon past performance, but that range is broad. Jackpot game sales from year to year can be tens of millions of dollars different from estimates.

The Lottery continues to enhance its Wisconsin-only lotto games, such as *Badger 5* and *SuperCash!*, through improvements to the games and limited time offers.

Much of the growth in instant scratch ticket sales has come from consumer demand for higher priced tickets which generally have higher top prizes, better overall odds of winning and higher payouts. Offering higher price-point tickets with higher payouts is consistent with the industry strategy of offering more in prizes as a player risks more in the purchase price of a ticket. Players see increased entertainment value in a higher risk-reward proposition.

Sales by game type for the past three years, and projected sales for the next two years, are shown on Table 1.

**Table 1. Sales by Fiscal Year and Game Type**

Game Type	FY16 Sales Final*	FY17 Sales Final*	FY18 Sales Preliminary**	FY19 Sales Projection***	FY20 Sales Projection***
<b>Instant Scratch</b>	\$378,800,170	\$384,817,222	\$419,398,240	\$421,849,953	\$421,849,953
<b>Pull-tab</b>	\$1,130,803	\$1,049,397	\$1,036,575	\$938,799	\$938,799
<b>Lotto</b>	\$247,233,964	\$216,906,158	\$246,957,605	\$239,068,467	\$239,068,467
<b>Total</b>	\$627,164,937	\$602,772,777	\$667,392,420	\$661,857,218	\$661,857,218

Note: Totals may not equal the exact sum of the figures in each column, due to rounding.

\* Source: Legislative Audit Bureau Report 18-17, August 2018: Financial Audit of the Wisconsin Lottery. Figures rounded to the nearest dollar. (<http://legis.wisconsin.gov/lab/media/2757/18-7full.pdf>)

\*\* Source: Wisconsin Lottery FY18 Unaudited Financial Statements, rounded to the nearest dollar, as of December 18, 2018. These financial statements are preliminary and subject to change.

\*\*\* Source: Lottery Fund Condition Statement, September 18, 2018, used in certifying the amount of Lottery and Gaming Credit for property taxes levied in 2018, rounded to the nearest dollar.

<sup>1</sup> FY18 sales data is from the Wisconsin Lottery's FY18 Unaudited Financial Statements as of December 18, 2018. These financial statements are preliminary and subject to change.

<sup>2</sup> Lottery Fund Condition Statement, September 18, 2018, used in certifying the amount of Lottery and Gaming Credit for property taxes levied in 2018.

<sup>3</sup> Includes *Powerball*, *Mega Millions*, *Megabucks*, and the daily game *Badger 5*.



## PRIZE PAYOUT

Each individual game has a unique prize structure that represents the value of its prizes and the odds of winning those prizes. The prize payout is the percentage of Lottery revenue that is returned to players in the form of prizes.

While the Lottery carefully plans and projects aggregate annual prize payout percentages, the actual percentage of prizes paid for individual scratch games may be more or less than the planned payout. This can occur when sales of a particular instant scratch game are discontinued before all the tickets are sold, as is done when the last top prize in that game is claimed. Sales of games with drawing prizes may also accrue in one fiscal year, while the prizes are drawn and awarded in the following year. Finally, unclaimed prizes may be credited after the year in which the prize expense was accrued.

It is also difficult to project the annual prize payout of lotto games because, unlike scratch and pull-tab games, they normally do not have a predetermined number of winners. The number of winners and the amount of the prizes won occur randomly.

The Lottery is able to estimate the future aggregate annual prize payout percentages for each of its three main product types, by examining current market trends, evolving consumer preferences, and forecasted sales figures from the Lottery Fund Condition Statement. This statement is used in certifying the amount of Lottery and Gaming Credit for property taxes.

### Scratch Tickets

Much of the growth in instant scratch ticket sales has come from consumer demand for higher priced tickets which generally have higher top prizes, better overall odds of winning and higher payouts. Offering higher price-point tickets with higher payouts is consistent with the industry strategy of offering more in prizes as a player risks more in the purchase price of a ticket. Players see increased entertainment value in a higher risk-reward proposition.

Price points at or above \$10 accounted for 50.1 percent of scratch sales in FY18, compared to 41.1 percent in FY15. This increase in higher price-point sales has driven overall sales significantly higher in recent years; instant scratch game sales have posted seven consecutive record-setting years, trending steadily up from \$320.1 million in FY12 to \$419.4 million in FY18.<sup>4</sup> Sales are expected to climb to \$421.8 million in FY19.

<sup>4</sup> FY12 data is from Legislative Audit Bureau Report 15-9, July 2015: Financial Audit of the Wisconsin Lottery. (<https://legis.wisconsin.gov/lab/media/1188/15-9full.pdf>)



Table 2 depicts the shift in sales from lower priced tickets to higher priced tickets.

**Table 2. Percentage of Total Net Sales by Price Point**

Price Point	FY15 % of Total Net Sales	FY16 % of Total Net Sales	FY17 % of Total Net Sales	FY18 % of Total Net Sales	FY19 YTD % of Total Net Sales**
\$1	6.0%	5.4%	5.1%	4.3%	3.9%
\$2	15.1%	15.1%	13.8%	12.0%	11.9%
\$3	12.9%	11.4%	11.0%	10.2%	9.6%
\$5	24.9%	24.4%	24.3%	23.3%	23.6%
\$10	15.1%	14.9%	16.1%	18.5%	19.8%
\$15*	1.1%	1.2%	1.4%	1.3%	3.0%
\$20	17.0%	20.5%	19.6%	21.9%	20.9%
\$30	7.9%	6.9%	8.6%	8.4%	7.4%

Note: Percentages may not sum to 100% due to rounding.

\* \$15 price point is a seasonal (holiday) game.

\*\* Through November 30, 2018.

Ten years ago, seven of the Lottery's 65 instant scratch games were higher price-point games. In FY19, the Lottery anticipates introducing 80 new games, 27 at the \$10 price point and higher (Table 3). The total number of games launched has increased slightly due to the incremental nature of game sales at higher price points.

**Table 3. Historical Perspective: Number of New Game Launches**

Price Point	FY09 Number of Games	FY16 Number of Games	FY17 Number of Games	FY18 Number of Games	FY19 Anticipated Number of Games	FY20 Anticipated Number of Games
\$1	16	15	14	12	11	11
\$2	17	14	14	13	12	12
\$3	11	13	13	12	12	12
\$5	14	17	18	17	18	18
\$10	5	10	10	12	12	12
\$15	1	1	1	1	1	1
\$20	1	8	7	9	10	10
\$30	0	2	2	3	4	4
<b>Total Number of Games</b>	65	80	79	79	80	80
<b>Overall Scratch Prize Payout</b>	64.33%	65.81%	66.31%	67.11%	67.39%	67.39%



The Lottery estimates that continued strong sales of higher price-point (higher prize payout) games will result in marginally higher aggregate scratch ticket payout rates over the next two fiscal years. Payouts should be accompanied by continued robust sales of \$421.8 million per year.

Prize payout for instant scratch tickets was 67.11 percent in FY18. Consistent with industry trends, sales of higher price-point games are continuing to grow, and sales of low price-point games are gradually declining, the Lottery estimates that aggregate instant scratch game prize payout will be 67.39 percent in FY19 and 67.39 percent in FY20. This payout percentage will allow the Lottery to continue its strategy of meeting the market demand for higher price-point tickets.

The Wisconsin Lottery's planned prize payout is lower than the lottery industry's average at all price points (Table 4). The average instant prize payout for U.S. lottery jurisdictions was 68.50 percent in FY18, which is 1.39 percentage points higher than Wisconsin. The Wisconsin Lottery payout for FY19 is anticipated to be 67.39 percent, which is 1.14 percentage points below the projected national average of 68.53 percent.

The trend towards stronger sales of higher price-point games will allow the Lottery to continue to generate strong instant scratch sales. To support this strategy, prize payouts will rise modestly in the next two years, but will remain well below industry averages.

**Table 4. Average Payout Rate by Price Point**

Price Point	U.S. Lotteries' FY18 Average Payout Rate *	Wisconsin's Designed Payout Rate
\$1	60.7%	59.0%
\$2	64.4%	62.0%
\$3	65.2%	63.0%
\$5	68.4%	64.5%
\$10	72.2%	70.0%
\$15	N/A	72.0%
\$20	74.5%	74.0%
\$30	77.0%	75.0%

\* Based on data presented in La Fleur's Magazine: Vol. 25 No. 6, July / August 2018, TLF Publications.

#### **Pull-tab Tickets**

The Lottery continues to offer traditional pull-tab tickets without validation barcodes. Prize payout for pull-tab tickets was 62.71 percent in FY18. Sales and prize payout projections for the next two years assume no reintroduction of validation-coded pull-tabs. A prize payout of 62.92 percent is expected for FY19 and FY20.

Wisconsin Lottery pull-tab ticket sales decreased to \$1.04 million in FY18 due mainly to decreased demand from nonprofit retailers. Total sales for all pull-tab tickets were \$1.05 million in FY17 and \$1.13 million in FY16. The relative strength in FY16 was due in part to new product launches at both the \$0.50 and \$1.00 price points. For-profit retailer sales were approximately \$120,715 in FY17 and \$113,955 in FY18. Nonprofit sales were \$928,683 in FY17 and \$922,620 in FY18.



The Lottery had annual pull-tab sales of more than \$20 million when it was the exclusive vendor of pull-tabs in Wisconsin. However, the Lottery's market share has been eroded by unregulated private vendors operating either illegally or under sec.100.16(2), Wis. Stats. This law was designed to allow limited-term games of chance by retailers (e.g., McDonald's Monopoly game) but provides few protections for those who purchase these private pull-tabs. Moreover, the playing field is uneven. Private vendors can offer retailers a higher commission, whereas the Lottery's commission is set by law. The Lottery does not expect pull-tab ticket sales to increase significantly unless illegal private games cease and the statutory exemption allowing legal pull-tab games is modified.<sup>5</sup>

### Lotto Tickets

The prize payout for lotto games has traditionally been lower than that for instant scratch games. The primary appeal of most lotto games is the chance to win large jackpot prizes.

The prize payout for lotto games was 49.53 percent in FY18, ranging from 46.84 percent (*Daily Pick 3*) to 60.19 percent (*EZ Match*). Table 5 lists the lotto games and associated designed prize payouts that are currently offered in Wisconsin. Actual prizes paid, as a percentage of sales, may be less than the designed prize payout for several reasons, such as winners not claiming their prizes. Prizes paid, as a percentage of sales, may also be more than the designed prize payout due to the random nature of game drawings and limited time offers that the Lottery uses to enhance its Wisconsin-only lotto games, such as *SuperCash!* and *Badger 5*.

**Table 5.**

**Lotto Games and Corresponding Start Dates and Prize Payout Rates\***

Lotto Games	Start Date	Designed Payout*
Powerball	4/19/92	50.00%
Megabucks	6/18/92	53.50%
EZ Match	4/3/11	63.15%
SuperCash!	2/4/91	52.80%
Daily Pick 4	9/15/97	48.40%
Daily Pick 3	9/21/92	48.20%
Badger 5	2/17/03	50.00%
Mega Millions	1/31/10	50.00%
5 Card Cash	4/6/14	60.29%
Special Draw (Raffle)	3/4/07	50.00%

\* Reflects anticipated rate based on game design and is approximate.

The Lottery believes it can manage the lotto product line at this time without a significant change to prize payout in the coming fiscal years. The overall lotto game payout is anticipated to be 50.55 percent in FY19 and 50.55 percent in FY20.

<sup>5</sup> For a fuller discussion of this issue see the November 2008 audit of the Lottery conducted by the Legislative Audit Bureau, Report 08-13, pp. 22-24. (<http://legis.wisconsin.gov/lab/reports/08-13full.pdf>)



### Total Prize Payout and Prize Expense

Wisconsin law requires that at least 50 percent of Lottery gross sales be returned to players as prize payments.<sup>6</sup> In FY17 the Lottery's prize payout was 60.22 percent. By comparison, the overall prize payout for U.S. lottery jurisdictions was 63.67 percent.<sup>7</sup> In FY18, 60.60 percent of Wisconsin Lottery gross sales were returned to players as prize payments. Over the next two fiscal years, the prize payout for Wisconsin Lottery games will continue to be below industry averages.

Fiscal Year 2019: The Lottery expects to pay \$405.7 million in prizes. Total prize payout for all Lottery games is estimated to be 61.30 percent.

Fiscal Year 2020: The Lottery expects to pay \$405.7 million in prizes. Total prize payout is estimated to be 61.30 percent.

Prize payout increases have contributed to record sales. In FY08, the prize payout was 57.89 percent; sales were \$494.7 million.<sup>8</sup> Last year (FY18), the prize payout was 60.60 percent; sales were \$667.4 million.

Going forward, the Lottery should continue to achieve its sales goals with only slight adjustments to its current prize payout percentages. The Lottery proposes an instant scratch game prize payout of 67.39 percent in FY19 and FY20. This marginal increase from FY18 will allow the Lottery to maintain the successful higher price-point strategy. Pull-tab prize payout is expected to be 62.92 percent in FY19 and FY20. Total lotto game prize payout is also projected to go from 49.53 percent in FY18 to 50.55 percent in FY19 and FY20.

The average prize payout percentages by game type for the past three fiscal years and the estimated prize payout percentages for the next two fiscal years are shown in Table 6. A weighted average is used to more accurately reflect the performance of games with higher sales.

**Table 6. Weighted Average Prize Payout Percentages by Fiscal Year and by Game Type\***  
(Percentages are rounded)

Game Type	FY16** Prize Payout	FY17** Prize Payout	FY18*** Prize Payout Preliminary	FY19**** Prize Payout Estimated	FY20**** Prize Payout Estimated
Instant Scratch	65.81%	66.31%	67.11%	67.39%	67.39%
Pull-tab	62.89%	62.78%	62.71%	62.92%	62.92%
Lotto	49.58%	49.40%	49.53%	50.55%	50.55%
<b>Total</b>	59.40%	60.22%	60.60%	61.30%	61.30%

\* Data in Tables 1 and 6 have been rounded and may not exactly match data in Table 7.

\*\* Based on data in Legislative Audit Bureau Report 18-17, August 2018; Financial Audit of the Wisconsin Lottery.  
(<http://legis.wisconsin.gov/lab/media/2757/18-7full.pdf>)

\*\*\* Source: Wisconsin Lottery FY18 Unaudited Financial Statements as of December 18, 2018. The financial statements are preliminary and subject to change.

\*\*\*\* Based on Lottery sales estimates, Lottery Fund Condition Statement, September 18, 2018.

<sup>6</sup> Sec. 25.75(3)(a), Wis. Stats.

<sup>7</sup> Based on data from reporting lotteries as presented in La Fleur's 2018 World Lottery Almanac, p. 245. FY17 is the latest year for which national figures for traditional ticket sales and prize payout are available.

<sup>8</sup> Legislative Audit Bureau Report 10-8, May 2010; Financial Audit of the Wisconsin Lottery.  
(<http://legis.wisconsin.gov/lab/media/1366/10-8full.pdf>)



Table 7 shows prizes paid during the past three fiscal years and prizes expected to be paid in the next two fiscal years. Prizes expected to be paid in FY19 and FY20 are calculated by multiplying the sales projection for each game by its prize payout percentage.

**Table 7. Prizes Paid or Expected to be Paid by Fiscal Year and by Game Type\***

Game Type	FY16** Prize Expense (Final)	FY17** Prizes Expense (Final)	FY18*** Prizes Expense (Preliminary)	FY19**** Projected Prize Expense	FY20**** Projected Prize Expense
Instant Scratch	\$249,280,245	\$255,154,040	\$281,471,667	\$284,284,683	\$284,284,683
Pull-tab	\$711,153	\$658,790	\$650,016	\$590,692	\$590,692
Lotto	\$122,567,099	\$107,152,950	\$122,325,292	\$120,849,110	\$120,849,110
<b>Total</b>	<b>\$372,558,497</b>	<b>\$362,965,780</b>	<b>\$404,446,975</b>	<b>\$405,724,486</b>	<b>\$405,724,486</b>

Note: Totals may not equal the exact sum of the figures in each column, due to rounding.

\* Rounded to nearest dollar. Amounts shown are based on the accrual method of accounting, consistent with generally accepted accounting principles (GAAP).

\*\* Source: Legislative Audit Bureau Report 18-17, August 2018: Financial Audit of the Wisconsin Lottery. Figures rounded to the nearest dollar. (<http://legis.wisconsin.gov/lab/media/2757/18-7full.pdf>)

\*\*\* Source: Wisconsin Lottery FY18 Unaudited Financial Statements, rounded to the nearest dollar, as of December 18, 2018. These financial statements are preliminary and subject to change.

\*\*\*\* Based on Lottery sales estimates, Lottery Fund Condition Statement, September 18, 2018.

## PRIZE PAYOUT IMPACT ON OPERATING COSTS

In establishing the proper prize payout, the Lottery seeks to strike a balance between maximizing profits and providing players with the rewards they expect. The Lottery has experienced positive results while being very conservative in its use of prize payout to drive sales.

The Lottery carefully manages payout to maximize net operating income. In FY08 the overall prize payout was 57.89 percent; in FY18 it was 60.60 percent.<sup>9</sup> During the same period, annual sales increased \$172.7 million, from \$494.7 million to \$667.4 million. Net operating income increased from \$141.7 million to \$180.3 million (preliminary).

Prize payout has had little effect on administrative costs. Total administrative expenditures as determined in accordance with sec. 25.75(3)(b), Wis. Stats. for FY18 were \$37.0 million (preliminary), up from \$36.7 million the previous fiscal year. This amount represents 5.55 percent of gross Lottery revenues in FY18, well within the 10 percent limitation set by statute.<sup>10</sup>

The Wisconsin Lottery continues to operate at highly efficient levels relative to other jurisdictions. Per capita expenses in Wisconsin are the fifth lowest among traditional lotteries in the United States, as illustrated in Exhibit 1.

<sup>9</sup> FY08 data is from Legislative Audit Bureau Report 10-8, May 2010: Financial Audit of the Wisconsin Lottery. (<http://legis.wisconsin.gov/lab/media/1366/10-8full.pdf>)

<sup>10</sup> Expense and Revenue figures are from the Wisconsin Lottery's FY18 Unaudited Financial Statements as of December 18, 2018. These financial statements are preliminary and subject to change.



## Exhibit 1.

## Fiscal 2017 U.S. Lottery Per Capita Administrative Expenses

	Lottery <sup>1</sup>	Pop. <sup>2</sup> (Mil)	Expense <sup>3</sup>	Expense Per Cap
1	Oklahoma	3.93	13.49	3.43
2	West Virginia	1.82	6.53	3.60
3	New Mexico	2.09	11.70	5.60
4	Louisiana	4.68	27.02	5.77
5	Wisconsin	5.80	35.39	6.11
6	North Dakota	0.76	4.93	6.53
7	Arizona	7.02	47.07	6.71
8	South Dakota	0.87	5.90	6.79
9	Colorado	5.61	40.42	7.21
10	Washington	7.41	57.27	7.73
11	Texas	28.30	219.84	7.77
12	South Carolina	5.02	39.49	7.86
13	Minnesota	5.58	47.57	8.53
14	California	39.54	342.18	8.65
15	Tennessee	6.72	59.80	8.90
16	North Carolina	10.27	94.90	9.24
17	Montana	1.05	9.80	9.33
18	Florida	20.98	199.72	9.52
19	Missouri	6.11	59.92	9.80
20	Nebraska	1.92	19.39	10.10
21	Iowa	3.15	32.61	10.37
22	Idaho	1.72	17.94	10.45
23	Indiana	6.67	70.96	10.64
24	Illinois	12.80	137.84	10.77
25	Kentucky	4.45	49.12	11.03
26	Arkansas	3.00	34.46	11.47
27	Wyoming	0.58	7.06	12.19
28	Pennsylvania	12.81	156.88	12.25
29	New Jersey	9.01	112.92	12.54
30	Virginia	8.47	106.34	12.56
31	Rhode Island	1.06	14.50	13.68
32	Massachusetts	6.86	97.76	14.25
33	New Hampshire	1.34	19.18	14.29
34	Maine	1.34	20.01	14.98
35	Michigan	9.96	155.60	15.62
36	Connecticut	3.59	56.15	15.65
37	Vermont	0.62	9.77	15.67
38	Georgia	10.43	178.58	17.12
39	District of Columbia	0.69	28.80	41.50
	<b>Total</b>	<b>264.02</b>	<b>2,648.82</b>	<b>10.03</b>

Source: La Fleur's 2017 World Lottery Almanac, pp. 253-260.

Fiscal year ends June 30 except Texas (August 31), D.C. and Michigan (Sept. 30).

<sup>1</sup> Delaware, Kansas, Maryland, New York, Ohio, and Oregon are not listed due to expenses not being separated out for traditional lottery in each of those states.

<sup>2</sup> U.S. Bureau of the Census, July 1, 2017.

<sup>3</sup> Lottery administrative and operational expenses as stated in La Fleur's 2017 World Lottery Almanac.

Wisconsin expense figures as stated in the La Fleur's Almanac were unaudited at time of reporting.

Note: Population, Expense, and Expense Per Cap are rounded to the hundredths place.

