

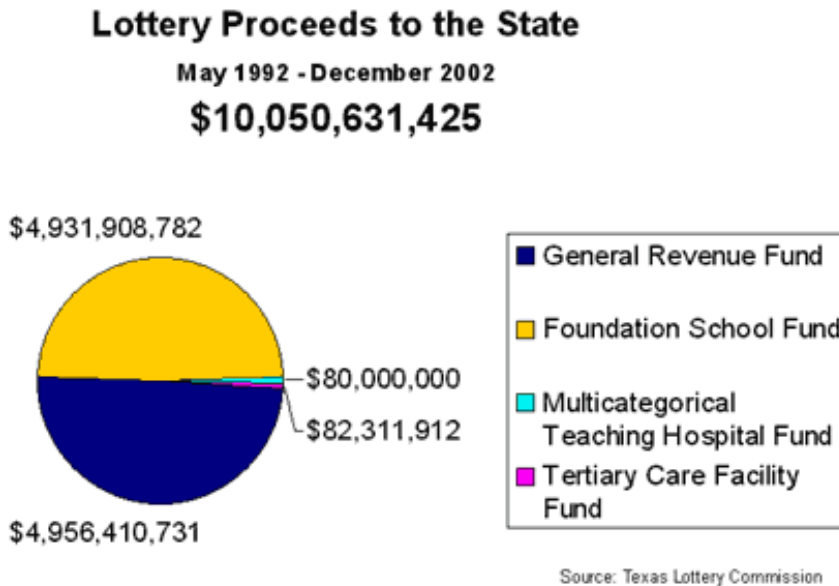
Texas Lottery Commission Press Release - December 13, 2002

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## Texas Lottery™ Hits 10-Billionth Dollar Milestone



Lottery proceeds to the State of Texas from May 1992 to December 2002 have equaled more than \$10 billion (\$10,050,631,425).

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(Austin, December 13) - The Texas Lottery Commission marked another financial milestone today by delivering nearly \$98.4 million to the State, pushing the total of monies the Texas Lottery™ raised during the last 10 years to more than \$10 billion. The total generated by the Texas Lottery is \$10,050,631,425.

"Ten billion in 10 years, it's an enviable record, and one we could not have achieved without our players and retailers," said Acting Texas Lottery Commission Executive Director Gary Grief. "Since the day tickets went on sale in May of 1992, the Texas Lottery has been doing the job it was created to do, generating revenue for the State. In the process, it has broken one sales record after another, making it one of the pre-eminent lotteries in the world and bringing much-needed dollars to state government, medical institutions and, most importantly, public education."

When the Lottery first began, the money was deposited in the General Revenue Fund. In 1997, the Legislature dedicated lottery revenues to education, and since Fiscal Year 1998, money has been deposited in the Foundation School Fund.

The Fund is administered by the Texas Education Agency (TEA). According to TEA, the Fund pays for teacher salaries, administration and educational resource costs, and helps school districts whittle down the debt they've incurred to build new facilities.

Originally part of the Office of the Comptroller of Public Accounts, the Lottery got off the ground with \$12 million in start-up funds stipulated in the legislation introduced to create a lottery, House Bill 54 by State Representative Ron Wilson, D-Houston.

The Texas Lottery clocked one of the fastest-ever start-up times among North American lotteries, selling its first instant ticket 47 days ahead of schedule.

The first ticket, Lone Star Millions<sup>tm</sup>, was sold at 6 a.m. to then-Governor Ann Richards at Polk's Feed Store in Oak Hill. Within three hours, the Lottery had earned back its start-up costs. In 24 hours, Texans had bought 23.2 million tickets, a world record for first-day sales.

On December 22 of 1992, total Lottery sales exceeded the \$1 billion mark, less than seven months after start-up.

Since that time, the Lottery's sales have topped \$30 billion, and Lottery players have won more than \$16.8 billion in prizes.

The first \$1 billion was transferred to the General Revenue Fund in November of 1993.

During the first five years of Lottery operations, when the money was sent to the General Revenue Fund, the Lottery deposited \$4,956,410,731. Since the proceeds were dedicated to education, \$4,931,908,782 has been deposited in the Foundation School Fund.

Legislation enacted during the 1999 legislative session also earmarked biennial cash transfers from the Lottery's Unclaimed Prize Fund to two medical funds.

The Multicategorical Teaching Hospital Account that benefits the University of Texas Medical Branch at Galveston (UTMB) has received \$80 million from the fund to date. The Tertiary Care Facility Fund has received \$82,311,912 to help hospitals around the state pay for indigent health care.

"In 10 years, the 'Games of Texas' created millions of winners," Grief said. "More importantly, however, our lottery games have provided the State with a solid source of revenue. And while we've broken sales records and had many winner highlights, we're most proud to say that our dollars have benefited public education."

The Texas Lottery currently offers players four on-line games, including *Lotto Texas*<sup>tm</sup>, *Cash Five*<sup>tm</sup>, *Pick 3*<sup>tm</sup>, and *Texas Two Step*<sup>tm</sup>.

Since Lone Star Millions went on sale in May of 1992, the Lottery has put forth 354 separate instant games, including re-issues of the popular *Weekly Grand*<sup>tm</sup>, *Break the Bank*<sup>tm</sup>, *Bingo*<sup>tm</sup>, *Nines-In-A-Line*<sup>tm</sup> and *Find the Nines*<sup>tm</sup>.

The Texas Lottery Commission also regulates Charitable Bingo in Texas. Since the game was legalized in 1982, Charitable Bingo activities in Texas have generated more than \$707 million in charitable distributions.

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The Texas Lottery, the 4th largest selling lottery in North America, is "Focusing on the Future of Education, One Ticket At A Time." By providing the 'Games of Texas' for more than 10 years, the Texas Lottery Commission (TLC) has generated more than \$10 billion for the state and paid nearly \$17 billion to players in prizes. For more information about the TLC, please visit the official website at <http://www.txlottery.org>