

Texas Lottery Commission Press Release - September 12, 2002

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## Texas Lottery Sales Up Nearly 5 Percent - Transfers To State Up 10.6 Percent

(Austin, September 12) - Texas Lottery sales grew by nearly five percent during Fiscal Year 2002, helping to create the fifth-largest transfer of Lottery dollars to the State in the agency's 10-year history.

Total sales for FY 2002 were \$2.966 billion, 4.99 percent more than FY 2001 sales of \$2.825 billion.

The Lottery transferred \$956.6 million to the state. The majority of that is designated for K-12 education in Texas. \$869,700,799 was deposited in the Foundation School Fund, a \$33 million increase over FY 2001, and included an estimated \$6.7 million in unspent administrative funds. The Multicategorical Teaching Hospital Fund received \$40 million, and the Tertiary Care Facility Account received \$46.8 million.

"Every effort we make is geared towards increasing sales and reducing costs, so the Lottery can generate as much money as possible for education," said Linda Cloud, Executive Director of the Texas Lottery Commission.

"In these tight economic times, we increased our contribution to the State by more than 10-and-a-half percent," Cloud said. "This year's \$956.6 million transfer is the fifth largest amount in the Lottery's history, and \$91.6 million more than last year."

Cloud noted that the *Pick 3* game and Instant tickets were the top sellers in FY 2002.

"By adding a *Pick 3* day drawing and launching an aggressive Instant Ticket Game Plan, we've kept our players interested in 'The Games of Texas' and increased sales," Cloud said.

Bolstered by the addition of a day drawing in May, *Pick 3* sales grew by 14.3 percent. Players spent a total of \$236.4 million on *Pick 3* tickets during the last fiscal year, \$29.6 million more than in FY 2001.

Lottery players spent \$1.9 billion on instant tickets in FY 2002, 12.5 percent more than in FY 2001.

Cloud credits the new Instant Ticket Game Plan for these results.

"We gave our retailers more games with shorter runs, and we made sure they received the tickets that are popular with their customers," Cloud said. "That initiative increased our Instant Ticket sales nearly 13 percent."

*Texas Two Step*, which was launched in May 2001, brought in \$82.9 million in its first full year of operation. *Lotto Texas* sales came in at \$593.9 million, 14.5 percent lower than the year before, and *Cash Five* accounted for \$121.6 million in sales, 15.6 percent less than a year ago.

Money transferred from the Lottery to the Multicategorical Teaching Hospital and the Tertiary Care Facility accounts is unclaimed prize money and is allocated to teaching hospitals, such as the University of Texas Medical Branch at Galveston, and trauma facilities for indigent health care.

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**NOTE TO BROADCAST EDITORS:** A video news release featuring Texas Lottery Commission Executive Director Linda Cloud commenting on FY 02 sales will be available tonight at the following coordinates:

C-Band: Galaxy 3R, Transponder 9, downlink 3880 MHz

KU-Band: Galaxy 10, Transponder K20, downlink 12100 MHz

Audio: 6.2 MHz-English, 6.8 MHz-Spanish

Time: 10:05 PM - 10:20 PM CENTRAL TIME, and immediately following the *Cash Five* drawing.

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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>