



711 E. Wells Avenue • Pierre, SD 57501 • Phone: 605-773-5770 • Fax: 605-773-5786 • <http://lottery.sd.gov>

To: South Dakota Lottery Commission

From: Norman Lingle
Executive Director

Re: June 18, 2025, Lottery Commission Meeting

Date: June 12, 2025

The June 18, 2025, meeting of the South Dakota Lottery Commission will begin at 9:30 a.m. in room 412 of the State Capitol. The meeting audio will be streamed on the South Dakota Public Broadcasting's website. A link to the audio stream is included on the agenda.

A few highlights of the agenda are below.

Deputy Secretary Evans will provide updates regarding the Department of Revenue, and I will provide Executive Director comments regarding updates since the last meeting.

The Lottery is seeking approval on an update to its lotto retailer incentive commission policy. This the proposed update syncs the current retailer incentive policy with the recent Mega Millions game changes.

Staff Attorney Nick Ramos will present a Mandatory Reporting Policy that is a result of Senate Bill 62 from the 2025 legislative session.

Director of Video Lottery and Security Trevor Wiebe will present a video lottery establishment policy for approval.

Lottery Research Founder and CEO Simon Jaworski will present findings from recent Responsible Gambling research that includes both South Dakota-specific and national trends.

The agenda also includes the normal marketing, sales and video lottery reports.

Please contact Clark or me if you have any questions, comments or if there is anything else you would like addressed during the meeting.

South Dakota Lottery Commission
Wednesday, June 18, 2025 – 9:30 a.m.
Room 412, State Capitol, Pierre, SD

**Please read all materials provided in the packet and print and bring the Agenda and all Exhibits*

Listen live at <http://www.sd.net/room412/>



MEETING AGENDA

1. Welcome Chair Harding
2. Roll Call Shawna Zebroski
3. Approval of Agenda Chair Harding
4. Approval of Minutes – March 27, 2025 meeting Chair Harding
5. Conflict of Interest Chair Harding
6. Department of Revenue Comments Deputy Secretary Jason Evans
7. Executive Director Comments Executive Director Norm Lingle
8. Mandatory Reporting Policy Nick Ramos, Staff Attorney
9. Lotto Retailer Incentive Commission Deputy Executive Dir. Clark Hepper
10. Mobile Cashing Update Deputy Executive Dir. Clark Hepper
11. Responsible Gaming Research Presentation Lotto Research Founder and CEO Simon Jaworski
12. Video Lottery Establishment Policy Director of VL and Security Trevor Wiebe
13. Video Lottery Report Director of VL and Security Trevor Wiebe
14. Sales Report Sales Director David Dahl
15. Sales Statistics Business Analyst Nathan Remmich
16. Marketing Report Director of Advert and PR Wade LaRoche
17. Public Comment Chair Harding
18. Next Meeting – September 25, 2025 Executive Director Norm Lingle
19. Adjournment Chair Harding

Expiration Dates of Commissioner Terms

Tim Donohue	01/01/2028	Tona Rozum	01/01/2027
Steve Harding	01/01/2027	Joe Kafka	01/01/2026
Jamie Huizenga	01/01/2028		

Individuals wanting to testify before the Lottery Commission must sign the attendance sheet and in prefacing their remarks, state their name and the entity they represent.

NOTE: This meeting is being held in a physically accessible location. Individuals needing assistance, pursuant to the Americans with Disabilities Act, should contact the South Dakota Lottery at 605.773.5770 in advance of the meeting to make any necessary arrangements in advance of the meeting to make any necessary arrangements.



Commission Members

Steve Harding –Chair
Tona Rozum–Vice Chair
Tim Donohue
Joe Kafka

Minutes of the Commission Meeting

Meeting was conducted in person
Thursday, March 27, 2025 – 9:30 a.m.

UNAPPROVED

Chair Harding called the March 27, 2024, meeting of the South Dakota Lottery Commission to order at 9:30 a.m. Commissioner Kafka attended via Microsoft Teams.

The public was able to participate in person or by listening on the internet.

SUPPORT STAFF PRESENT

Norm Lingle, Clark Hepper, Nick Ramos, Michael Houdyshell, Wade LaRoche, Trevor Wiebe, Shawna Zebroski, Nathan Remmich, and David Dahl.

MEMBERS OF THE PUBLIC PRESENT

Troy Erickson, Kirby Muilenburg, Dave Madden, Bryant Soberg, Matt Krogman, Jamie Hegge, Bob Mercer, & Barry Greenberg.

APPROVAL OF THE AGENDA

Chair Harding asked if there were any changes to the agenda. There were none. Chair Harding asked for a motion to approve the agenda, motioned by Commissioner Rozum, and seconded by Commissioner Donohue. A voice vote was taken. All in favor. Motion carried.

APPROVAL OF THE MINUTES FROM THE December 12, 2024, MEETING

Chair Harding asked for a motion to approve the minutes. Commissioner Donohue moved to approve the minutes and seconded by Commissioner Rozum. All in favor. Motion carried.

CONFLICT OF INTEREST

Chair Harding asked if there were any conflicts of interest; there were none.

SECRETARY OF REVENUE COMMENTS

Department of Revenue Secretary Michael Houdyshell reported on the following:

- During Legislative session 102 bills were tracked with DOR involved with 40 bills and 8 agency bills.

- 605 Drive was launched February 17, 2025. There are 5 new license plate types available with the new one Habitat Conversation available March 1. Along with this plate you may also purchase emblems from Game, Fish and Parks.
- Secretary Houdyshell and Governor Rhoden are actively looking for a new commissioner.

EXECUTIVE DIRECTOR'S COMMENTS

Executive Director Norm Lingle reported on the following:

- Senate Bill 47, an act to clarify eligibility for licensure as a video lottery operator, will take effect July 1, 2025.
- Senate Bill 203 an act to increase the minimum age to purchase lottery tickets, Senate Bill 205 to increase the number of video lottery machines in a licensed establishment, and Senate Bill 206 and act to increase the dollar limit for playing video lottery. These three Senate bills were defeated.
- Commissioner Donohue was officially reinstated for another 3 years.
- House Bill 1059 addressed communication of a public board by electronic means. This needs to be avoided if there are three or more commission in the group message.
- Senate Bill 74 must annually review during the 1st fiscal year meeting and must be reflected in the minutes.
- Video Lottery Establishment Policy will be presented at the June meeting.

LAWRENCE AND SCHILLER CONTRACT AMENDMENT

Executive Director Norm Lingle

- Partnership with Lawrence & Schiller began in 2015, and the existing agreement took effect July 1, 2020, with a 3-year extension of the current agreement.
- Chair Harding asked if there was a clause included in the agreement for termination. Executive Directed Norm Lingle indicated there was.
- Moved by Rozum to extend the agreement for 3 years, seconded by Donohue. A voice vote was taken. All in favor. Motion carried.

ADMINISTRATIVE RULES HEARING

Executive Director Norm Lingle and Barry Greenberg, Light & Wonder

- The proposed rule amendments will modify who can clear electronic accounting meters on video lottery terminals.
- Currently, rules only allow electronic accounting meters to be cleared by a manufacturer or a Type II technician replacing the logic board with a board that was previously cleared by a manufacturer. The proposed rule amendments will modify who can clear electronic meters to allow Tech II's as well as manufacturers. It also makes clear that Lottery staff can clear electronic meters.
- Commissioner Donohue asked about the implications of security. Executive Director Lingle explained that if a RAM clear is done without Lottery knowing the Host will make the VLT in an unplayable state until the members of the video lottery team take action to bring that VLT up.
- Chairman Harding asked how long a machine could be down. Executive Director Norm Lingle explained that all operators have replacement boards. Depending how quickly a tech could go out to trouble shoot, it could be down a day.
- Barry Greenberg explained the process of changing out a logic board and how it is cleared out.
- Matt Krogman, Licensed Beverage Dealers and Gaming Association stated he believes the rule change would allow business to run more efficiently and lower the time frame of a machine being down.
- Chairman Harding asked if there are any negative concerns on this hearing. Executive Director Lingle said ensuring the techs follow the process with contacting the video lottery to receive the

approval for the RAM clear and this is an education process and the more they do it the more it gets committed to memory.

- No further proponent testimony.
- No opponent testimony
- Moved by Rozum to approve a type II technician to clear electronic accounting meters on video lottery terminals, seconded by Donohue. A voice vote was taken. All in favor. Motion carried.
- This will be taken to the legislative rules committee on May 6.

MOBILE CASHING UPDATE

Deputy Executive Dir. Clark Hepper reported on the following:

- 87 total ACH payments as of March 21, 2025. 75 instant and 12 online prizes with paying prizes between \$101-\$5000.
- Mobile Cashing has also been used by players living in other states.
- Instant Ticket Claims are primarily from 13 different scratch tickets and Lotto Ticket claims are from primarily 3 games.
- The new Mega Millions game will have more prizes and will also qualify for mobile cashing.
- Chairman Harding finds this very encouraging.
- Dedicated Landing page for the mobile app that explains how the process works, including a tutorial video.
- Social media posts and players club emails will be sent out once we are ready to launch the app along with a press release. T

SALES REPORT

Sales Manager David Dahl reported on the following:

- Instant ticket sales have decreased 2.54 percent compared to last fiscal year with sales at \$31.9 million.
- Lotto sales are down 34.68% down over the same time last year, last year we had 5-billion-dollar jackpots. We do have growing jackpots in Powerball and Mega Millions.
- The Lottery has paid out over \$24.1 million dollars in Instant ticket prizes and \$3.9 million in Lotto Prizes to date.
- We have partnered with Schafer systems for Halo pilot program. 10 Halos have been set up with different retailers in Sioux Falls and we will track the sales over a 13-week period. After the 13 weeks, we can decide then if we want to continue with ordering more halos for other retailers in the state. This pilot program comes at no cost to the SD Lottery.
- New launch of Hidden Gems Ticket for \$5. This is a South Dakota Ticket of places in SD. There will be 2nd chance prizes tied into this.
- As of February 28. We are projecting Instant \$6.83 Million in Net Transfers and Lotto \$7.82 in Net Transfers vs. FY24 which Instant were at \$7.26 million, and lotto was at 12.53 million.
- Video Lottery Net machine income is projecting to have a .81% increase over FY24. Video Lottery FY25 State Share Revenue is projected to be \$165.01 million vs. \$163.9 million in FY24.
- The total combination of Video Lottery, Instant sales and Lotto sales Revenue Projections is \$179.66 million vs. \$183.69 million in FY24.

LOTTERY QUICK FACTS

Business Analyst Nathan Remmich

- Quarterly Instant Sales by Price Point has a transition from \$5 to \$10 but also a transition from \$3 to \$5. There is growth with the new \$30 ticket, but we are down 3% compared to FY24.
- Quarterly Sales by Lotto Game is down 2% but there's a growing Lotta America jackpot.

- Quarterly NMI is about even year over year.
- Year over Year Instant Sales by Price point we are seeing growth in the \$10 tickets, with transitions from the \$5 ticket to the \$10, and a transition from \$3 to the \$5 ticket. Currently down 2% from FY24-FY25.
- Fiscal Year sales by lotto game is down 34.7%
- Fiscal Year Video NMI is up.
- Chairman Harding made a comment on the cost of tickets going up over the years, but video lottery bet amount has stayed the same since 1989.

MARKETING REPORT

Director of Advert and PR Wade LaRoche

- March is National Responsible Gambling month. Lottery's Responsible Gambling campaign has been running from late February through March. We promote year-round effort to promote responsible play, but we increase these efforts even more during Problem Gambling Awareness Month. We have utilized paid media such as television, radio, billboards and digital display ads.
- Mega Millions sales for the new game will begin April 5. This initial communication with retailers included a one sheet hand out that details the game.
- It's also important to note that this game change included a step-down process. Players can usually purchase up to 9 draws at a time, but that number decreases as we get closer to the game. The terminals do a great job of displaying this, but we also sent periodic messages to retailers to inform them on the maximum number of draws available. Our messaging began with social media and website updates detailing the change. This will continue throughout the next week to also include push notifications, Players Club emails and paid media.
- 60 Days of WINter campaign focused on giveaways throughout the winter months, with 21,975 total entries. Prizes for the drawings included concert tickets, scratch tickets, lottery merchandise, gift cards to South Dakota attractions and more. These entries were done by nearly 12,000 players. This is a great way to grow our players club.
- Lottery was a sponsor of the 2025 Summit League men's and women's basketball tournaments. This took place March 5-9 at the Premier Center. There was signage in the concourse that included a photo booth for attendees to engage with the Lottery brand. Total attendance for men & women's tournament was 67,333.
- Mobile App has been downloaded 37,984 times, with key functions of scanning tickets, entering second chance drawings and viewing winning numbers. In our VIP Only drawing alone, we have had more than 57,000 non-winning tickets entered through our mobile app this calendar year.

VIDEO LOTTERY REPORT

Director of VL and Security Trevor Wiebe

- Of the 1,396 establishments, 928 of them are considered single establishments. The other 468 are in a setting where there are 2 or more establishments under one roof.
- State Law allows for a maximum of 10 terminals in each establishment. With 1,396 establishments that allows for up to 13,960 terminals. Currently we have 11,125 terminals.
- On average we have 100-150 non reporting terminals per day. DIGI/Wi-Fi loss is the biggest report on non-reporting. Video lottery averages 1 RAM clear a day.
- Video lottery has between 10-15 applicants for new VL establishment. Finger printing, alcohol license, building construction are some of the requirements for a new license.
- Looking back 10 years, lottery is 40-50 establishments ahead from 2015. With the pandemic years, there were many establishments that closed.
- Seasonal business that close will have their machines unenrolled but not destroyed.

- SAS machines are newer and continue to grow, where the Legacy machines are older and are declining.
- FY25 are 285 new terminals and 24 have been destroyed.

PUBLIC COMMENT

- Matt Krogman, SD License Beverage Dealers Association. Senate bills 205 & 206 were brought to the legislator and lost by 1 vote on the senate floor twice, 2 years ago. And this year SB 205 got 15 votes on the senate floor for increasing the bet limit.
- We must get minimum 51% of 105 legislators and governor to approve what ideas are. There are ideas are to increase machines from 10-15 is to let them run business and position machines in spots to increase revenue. Senate Bill 206 increases the bet limit from \$2 to \$4. Instant scratch tickets as a minimum, has gone from a \$5 dollar limit to a \$30 dollar limit. The expenses have gone up since 1989. Amount of revenue is about the same. The industry provides \$164-\$165 million dollars to the bottom line of the state budget. The governor was quoted in a media we need to do something about property taxes. If we can increase our bet limit from \$2 to \$4, we can generate \$200 million.

NEXT MEETING DATE

Executive Director Lingle stated the next meeting will be June 18, 2025.

ADJOURNMENT

Commissioner Rozum made a motion to adjourn at 11:45 a.m. Commissioner Donohue seconded the motion. All in favor. Motion carried.

*Please listen to the audio on the South Dakota Lottery Website: <https://Lottery.sd.gov/about/commission/> for additional details.

South Dakota Lottery

Commission Meeting

June 18, 2025



A DIVISION OF THE SOUTH DAKOTA DEPARTMENT OF REVENUE

Deputy Secretary of Revenue Comments



Executive Director Comments



Executive Director Comments

- Commissioner Huizenga
- Personnel Update
- FY25 Year End
 - Audit
 - Sales
- HALO Instant Ticket Displays



Mandatory Reporting Policy



**IN RE:
OFFICIAL POLICY
OF THE SOUTH DAKOTA
LOTTERY**

**RULING 25-2
MANDATORY REPORTING POLICY**

BACKGROUND: The South Dakota Legislature during the 2025 Session passed Senate Bill 62 (SB 62), which requires state agencies to “adopt a written policy on reporting improper governmental conduct and crime and submitting records evidencing the improper governmental conduct or crime.” SB 62 becomes effective July 1, 2025. The South Dakota Bureau of Human Resources and Administration (BHRA) will issue a written policy or policies addressing the requirements of SB 62 on or before July 1, 2025.

The South Dakota Lottery Commission (Commission) therefore adopts the following policy for Commission Members.

POLICY:

Effective July 1, 2025, the Commission adopts the written policy or policies adopted by BHRA on or before July 1, 2025, regarding mandatory reporting, the reporting of improper governmental conduct and crime, and the submission of records evidencing improper governmental conduct or crime.

SUMMARY:

This policy is to ensure compliance with SB 62.

Dated this 18th day of June, 2025.

BY THE SOUTH DAKOTA LOTTERY COMMISSION:

Steven G. Harding
Chair

Lotto Retailer Incentive Commission



IN RE:**DECLARATORY RULING
BY THE SOUTH DAKOTA
LOTTERY COMMISSION****RULING 25-1
ARSD 48:03:02:10****Lotto Retailer Incentive Commissions**

Ruling: Incentive commissions are authorized for on-line retailers who sell certain valid winning tickets for on-line games. Such incentive commissions are authorized in formula below. Retailers must be actively engaged in the sale of on-line tickets and current in Lottery obligations to qualify for incentive commissions which will be paid only after winning tickets have been claimed and paid. If multiple tickets eligible for incentive commissions to retailers are sold in the same drawing, incentive commissions will be paid, limited and divided equally per the formula below.

The incentives below are effective February 28, 2022 and supersedes Ruling 19-1.

Prize	Commission	Pay, Limit, and Equal Division of Incentive Commission
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Powerball®

Jackpot	\$50,000	Pay 1; over 1 divide \$50,000 and pay all equally.
\$1,000,000	\$20,000	Pay 1; over 1 divide \$20,000 and pay all equally.
\$50,000	\$1,000	Pay 2; over 2 divide \$2,000 and pay all equally.

Powerball Power Play®

\$2,000,000	\$25,000	Pay 1; over 1 divide \$25,000 and pay all equally.
\$50,000	\$1,000	Pay 2; (\$1,000 x the Power Play number) over 2 divide 2x (\$1,000x the Power Play number) and pay all equally.

Powerball Double Play

\$10,000,000	\$15,000	Pay 1: over 1 divide \$15,000 and pay all equally.
\$500,000	\$10,000	Pay 1; over 1 divide \$10,000 and pay all equally.
\$50,000	\$1,000	Pay 2; over 2 divide \$1,000 and pay all equally.

Mega Millions®

Jackpot	\$50,000	Pay 1; over 1 divide \$50,000 and pay all equally.
\$1,000,000	\$25,000	Pay 1; over 1 divide \$25,000 and pay all equally.
\$10,000	\$750 <u>\$1,000</u>	Pay 2; over 2 divide \$1,000 and pay all equally. Pay 2; over 2 divide (2 x \$1,000) and pay all equally.

Megaplier®

\$1,000,000	\$25,000	Pay 1; over 1 divide \$25,000 and pay all equally.
\$10,000	\$750	Pay 2 (\$500 x the Megaplier number); over 2 divide 2 x (\$500 x the Megaplier) and pay all equally.

Mega Millions® Just the Jackpot

Jackpot	\$50,000	Pay 1; over 1 divide \$50,000 and pay all equally.
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Lucky for Life®

Top Prize	\$5,000	Pay 2; over 2 divide \$10,000 and pay all equally
Second Prize	\$500	Pay 5; over 5 divide \$2,500 and pay all equally

Dakota Cash

Jackpot	5% of prize	Pay 1; over 1 divide commission and pay all equally. Capped @ \$5,000.
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Lotto America

Jackpot	\$10,000	Pay 1: over 1 divide \$10,000 and pay all equally.
\$20,000	\$2,000	Pay 5; over 5 divide \$10,000 and pay all equally.
\$1,000	\$250	Pay 5: over 5 divide \$1,250 and pay all equally.

Lotto America All Star Bonus

\$20,000	\$2,000	Pay 2 (\$2,000 x the All Star Bonus number); over 2 divide 2 x (\$2,000 x the All Star Bonus number) and pay all equally.
\$1,000	\$250	Pay 2 (\$250 x the All Star Bonus number); over 2 divide 2 x (\$250 x the All Star Bonus number) and pay all equally.

Dated this 18th day of June, 2025.

Steve Harding, Chair

Mobile Cashing Update




A DIVISION OF THE SOUTH DAKOTA DEPARTMENT OF REVENUE

Mobile Claims Overview




**337 Claims
Submitted by 233
Different Players**


Claims By Age




Under 30
23



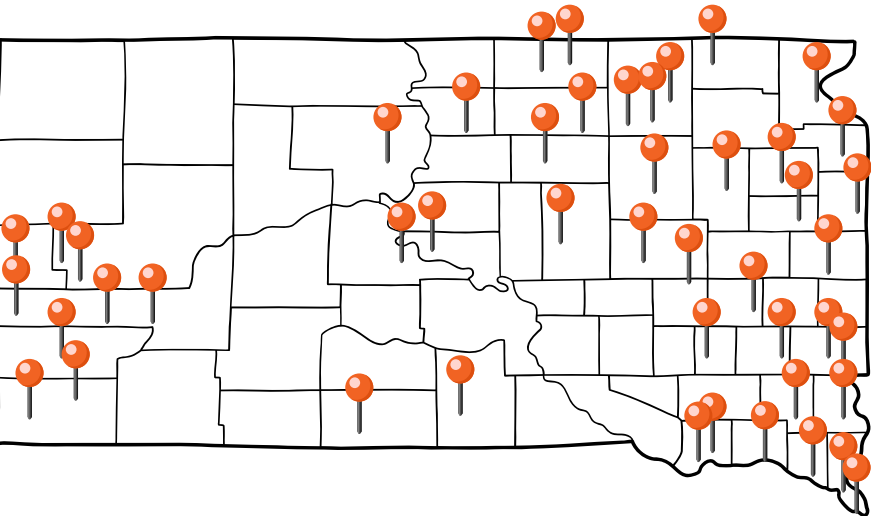
30-50
205



50-60
64



Over 60
45



Top Cities

- 1. Sioux Falls (34)
- 2. Huron (20)
- 3. Aberdeen (19)
- 4. Rapid City (14)
- 5. Chamberlain (14)



Top Games

- 1. \$50, \$150 or \$250 (93)
- 2. \$600,000 Cash Spectacular (89)
- 3. 100X The Cash (43)
- 4. \$50, \$100 or \$500 (33)
- 5. Lucky for Life (27)



Scientific Games Responsible Gaming research 2023 State G Presentation

Created by
Simon Jaworski
Founder & CEO, Lotto Research





Research Overview & Regions Map

Overview

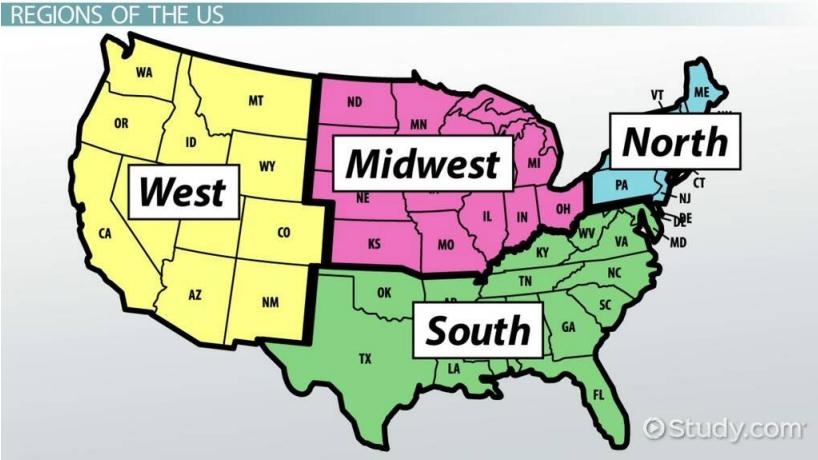
Scientific Games ran a ground-breaking Responsible Gaming study in 2021, including analyzing how the United States has seven groups of gamblers, ranging from those with no issues, to serious problem gamblers.

This 2023 study is a follow up to that research, examining how the gaming market (and more importantly its players) has changed in two years.

Regional Analysis

The research breaks out regional divisions into the four traditional regions of the United States, Northeast, Midwest, South and West.

- **Northeast** (9 states)
 - CT, MA, ME, NH, NJ, NY, PA, RI, VT
- **Midwest** (12 states)
 - IL, IN, IA, KS, MI, MN, MO, NB, ND, OH, SD, WI
- **South** (16 states and D.C.)
 - AL, AR, D.C., DE, FL, GA, KY, LA, State C, MI, NC, OK, SC, TN, TX, VA , WV
- **West** (13 states)
 - AL, AZ, CA, CO, HI, ID, MT, NM, NV, OR, UT, WA, WY



METHODOLOGY

- **3193 Americans participated in a 20-minute on-line survey.**
 - Must be a resident of the United States from a state that allows the lottery.
 - Must be age 18 or older.
- In addition, an oversample of n=1,000 was conducted in State F, State E, State A and State D. Oversamples were also conducted in State C (n=901), State B (n=505) **and State G (n=351)**
- **Sample was based on specific proportions for gender, age, ethnicity, income and region.**
- **The study ran from October 29 to December 31, 2023.**
- **The margin of error for this study is $\pm 2.4\%$ at 95% confidence, $\pm 2.0\%$ at 90% confidence**



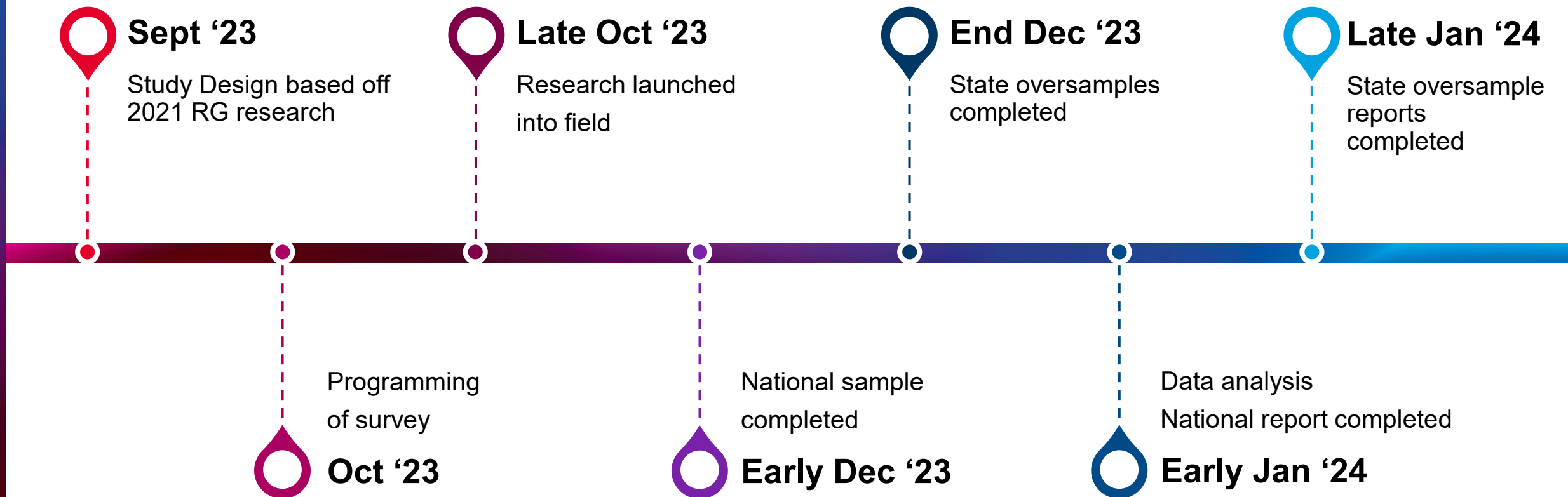
Arrows indicate significantly lower (red) or higher compared to 2021

BCD

Letters indicate significantly higher than another 2023 data point



Timeline: SG RG 2023



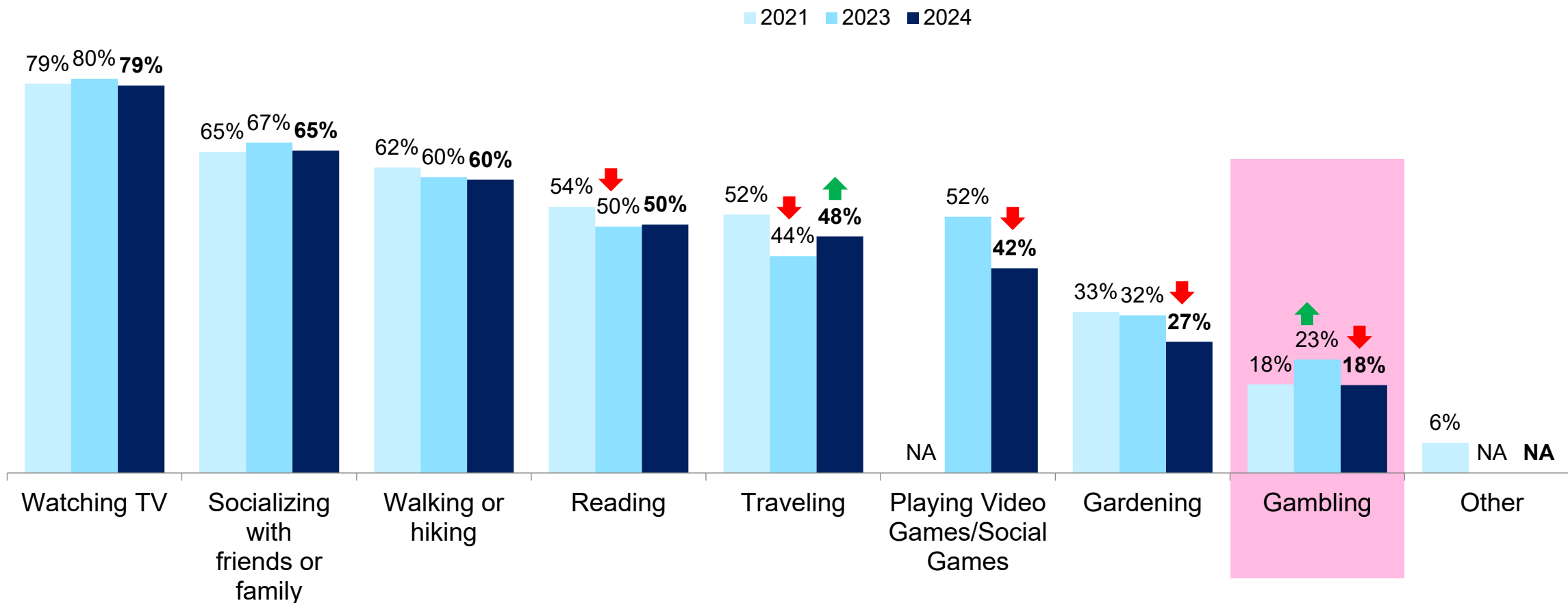


Gaming availability by U.S. & States

GAMING TYPE	U.S.	STATES						
		A	B	C	D	E	F	G
LOTTERY	46	✓	✓	✓	✓	✓	✓	✓
ONLINE LOTTERY	8	Draw and Instant			Draw only		Draw and Instant	
SPORTS BETTING (LEGAL & ONLINE)	29		✓	✓		✓	✓	
CASINOS	44*		23	6	3	10	17	31
ONLINE GAMBLING	6						✓	
# of Gaming Machines	8	COAM	17,314	9,606	5,410	15,936	25,746	15,398
# in Commercial Casinos			14,671	9,606		15,936	25,391	2,542
# in Tribal Casinos			2,643	-	5,410			2,617
# Lottery VLTs		Lottery Retailers	-	-			355	10,239
MARIJUANA (LEGAL)	24			✓		✓		

Preferred Recreational Activities (U.S.) - 2024

23% of Americans count Gambling as a 'preferred' recreational activity, up significantly from 2021.



Base: Total Respondents

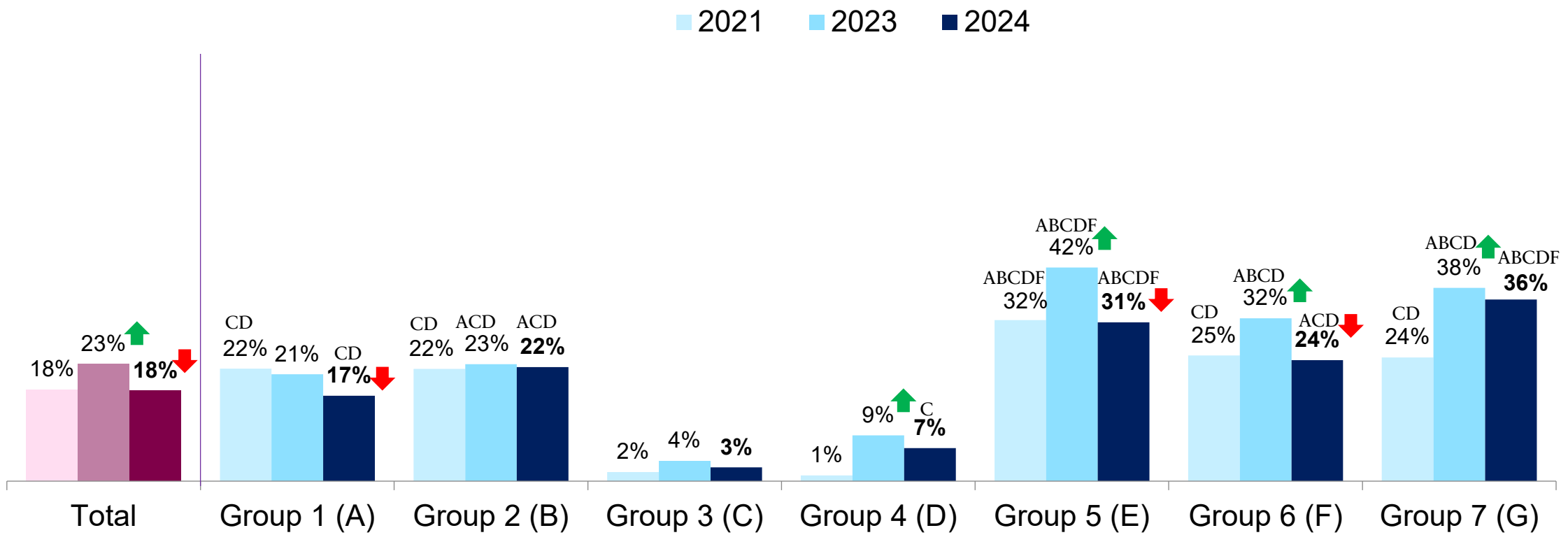
C1. Which of the following are your preferred recreational activities? Would you say...

Total, 2021 n=3039, 2023 n=3193, 2024 n=3303

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Gambling: Preferred Recreational Activity (U.S. Groups) - 2024

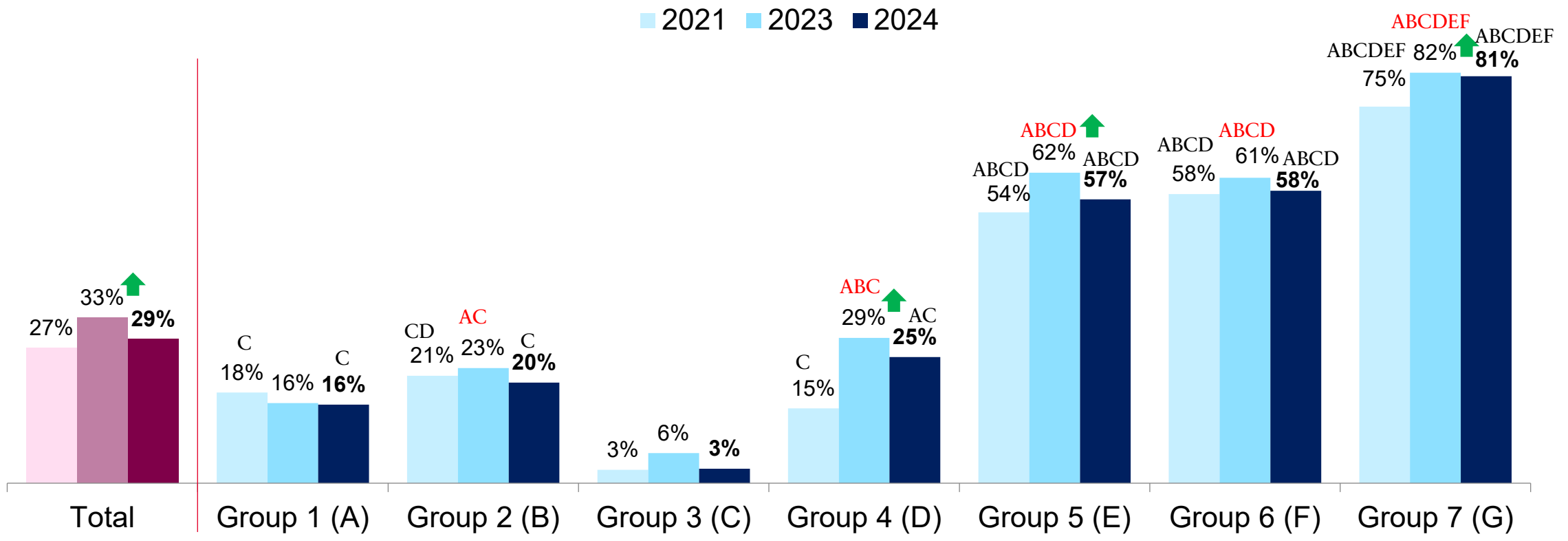
Similar to 2021 levels, Gambling as a ‘preferred activity’ has declined significantly in 2024 when compared to 2023. Group 7 has remained at a similar level, while Groups 5 & 6 have declined significantly.



Base: Total Respondents
C1. Which of the following are your preferred recreational activities? Would you say...
2021 n=3039, 418, 785, 657, 264, 454, 299, 162; 2023 n=3193, 300, 917, 675, 245, 559, 345, 152; 2024 n=3303, 388, 854, 730, 337, 462, 361, 171
Capital letter indicates a significant difference between groups at 95%
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Importance of Gambling: Top 2 Box % (U.S. Groups) - 2024

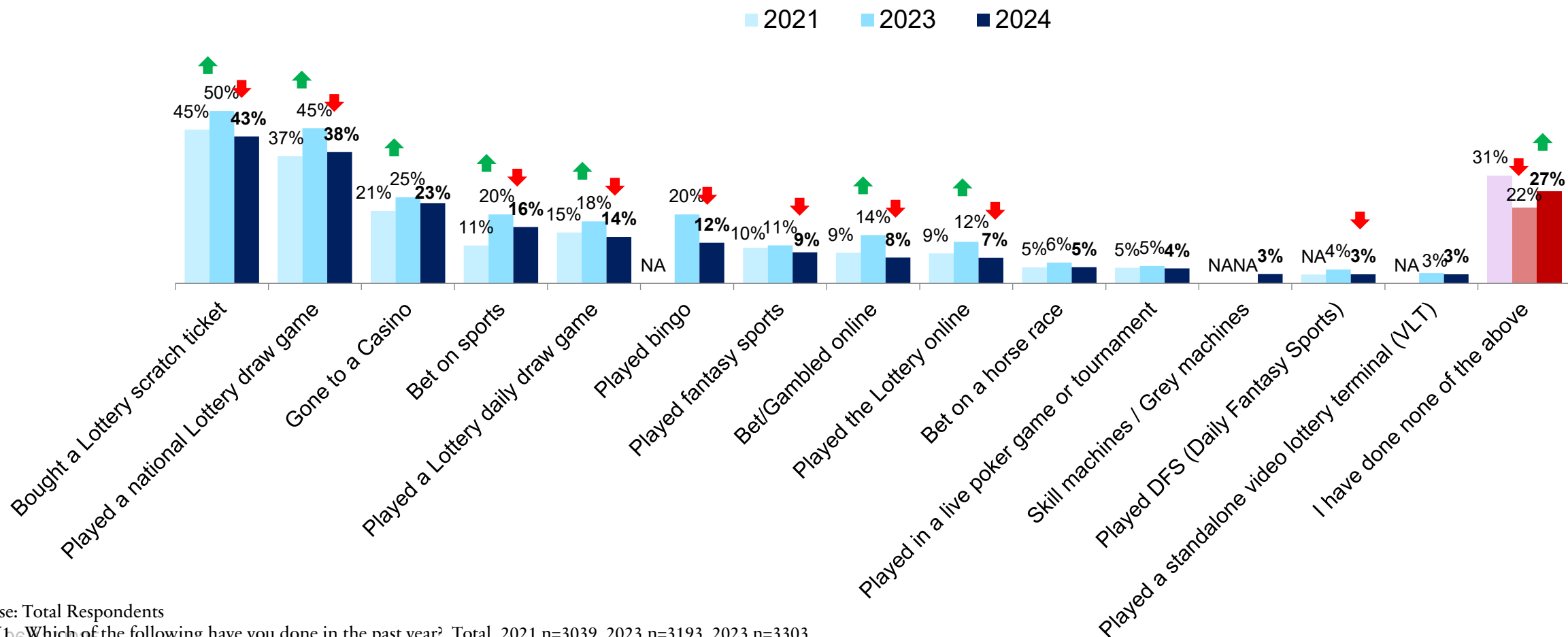
The importance of gambling is significantly higher for Group 7 respondents than all other Groups, and has remained solid at 81%, compared to 2023 (82%).



Base: Total Respondents; *Low base size
GM3: How important is gambling to you as a recreational activity?
2021 n=3039, 418, 785, 657, 264, 454, 299, 162; 2023 n=3193, 300, 917, 675, 245, 559, 345, 152; 2024 n=3303, 388, 854, 730, 337, 462, 361, 171
Capital letter indicates a significant difference between groups at 95%
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Gambling Activities in the Past Year (U.S.) - 2024

A majority of key gambling activities are down significantly in terms of participation in the U.S. in 2024, compared to 2023. National draw game play and Scratch tickets play are both down 7% points, Casino visits down 2% points, and even those who have bet on sports are down 4% points, to 16%, among the total population.



Base: Total Respondents
 PY1: Which of the following have you done in the past year? Total, 2021 n=3039, 2023 n=3193, 2023 n=3303



How does State G compare nationally and with similar states?

	2021		2023		
	National		National	State B	State G
My state lottery is an organization I trust.	39%		42%	34%	33% 
2023 State C Lottery Spenders – Monthly \$					
Low (<\$20)	Medium (\$21-\$99)	High (\$100+)			
44%	50%	65%			
2023 State B Lottery Spenders – Monthly \$					
Low (<\$20)	Medium (\$21-\$99)	High (\$100+)			
44%	43%	55%			
2023 State G Lottery Spenders – Monthly \$					
Low (<\$20)	Medium (\$21-\$99)	High (\$100+)			
46%	42%	35%			




Lottery Perceptions/Responsible Gaming (States)

Only State A is keeping pace with State F in terms of trust

A	B	State C	D	E	F	G
47%	34%	42%	42%	37%	47%	33%

Where does State G compare nationally and with states ?

	2021		2023	
	National		National	State B State G
I don't need to buy my tickets at a lucky store to improve my chances of winning	72%		72%	83% 75%
There is no special method or ability that will guarantee a win	70%		70%	77% 74%
Picking the same numbers each week doesn't improve your odds of winning.	70%		70%	75% 72%
I should be aware of how much money I spend when I gamble	82%		85%	89% 93% 



Responsible Gaming **7 Group snapshots** 2023

SCIENTIFIC GAMES INTELLECTUAL PROPERTY. CONFIDENTIAL & PROPRIETARY TRADE SECRET



7 Responsible Gaming Groups

▪ GROUPS 1 & 2

- Generally older
- Usually heavier Lottery players
- No real problem gambling issues
- 38% in size

▪ GROUPS 3 & 4

- Mixed age range
- Don't really game or gamble
- No problem gambling issues
- 29% in size

▪ GROUPS 5 & 6

- Generally younger
- Skew male
- Usually heavier Lottery and Gambling players
- Potential for problem gambling issues
- G5 skews a little more towards playing to win
- G6 skews a little more towards playing for entertainment
- 29% in size

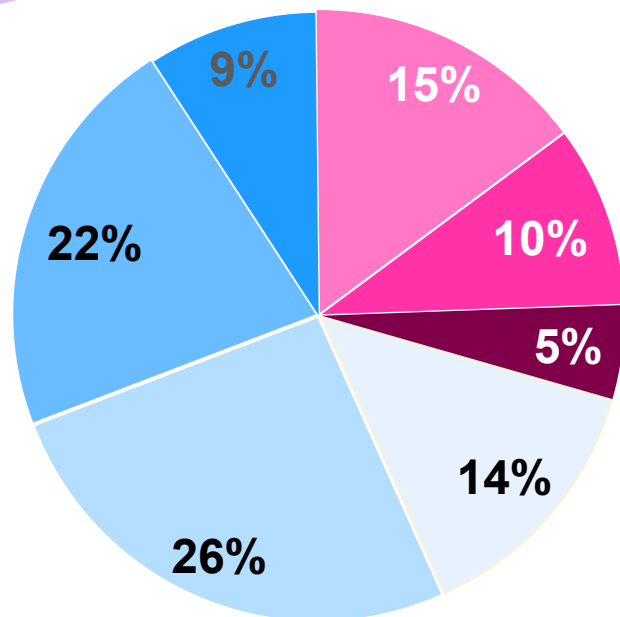
▪ GROUP 7

- Generally younger
- Skew male
- Usually heavier Gambling, Sports Betting, Daily Draw games, Online Game players
- Most likely to have problem gambling issues
- 5% in size

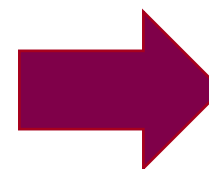
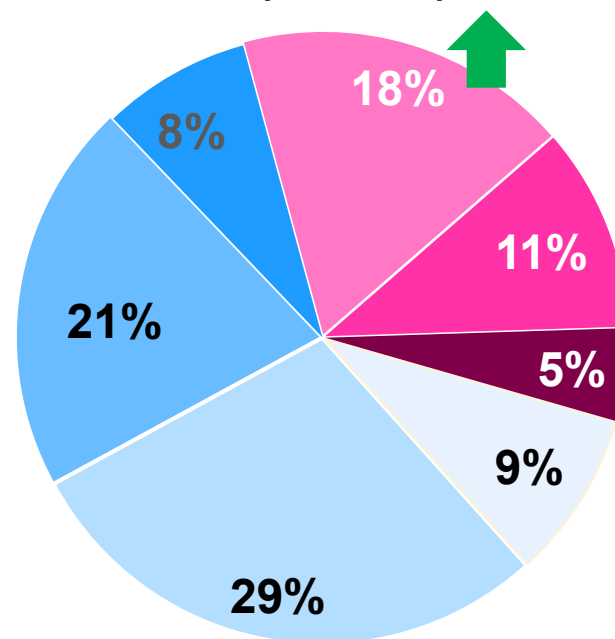


NATIONAL: 7 RG Groups

2021 (n=3039)



2023 (n=3193)



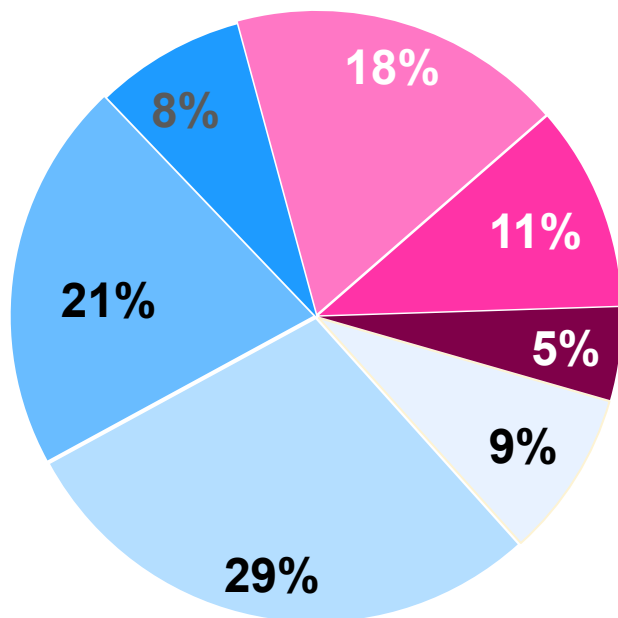
- Groups 5, 6 and 7 are the heaviest gambling groups, representing more than a third of America (34%).
- However, Group 7 has the greatest percentage of people who show the most symptoms of a gambling disorder, and is 5% of the U.S. population, similar to the level seen in 2021.
- Group 5 has seen a significant shift in size in 2023 (up to 18%) from 15% in 2021.

Group 1 Group 2 Group 3 Group 4 Group 5 Group 6 Group 7

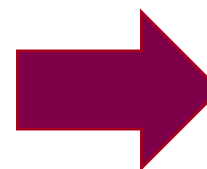
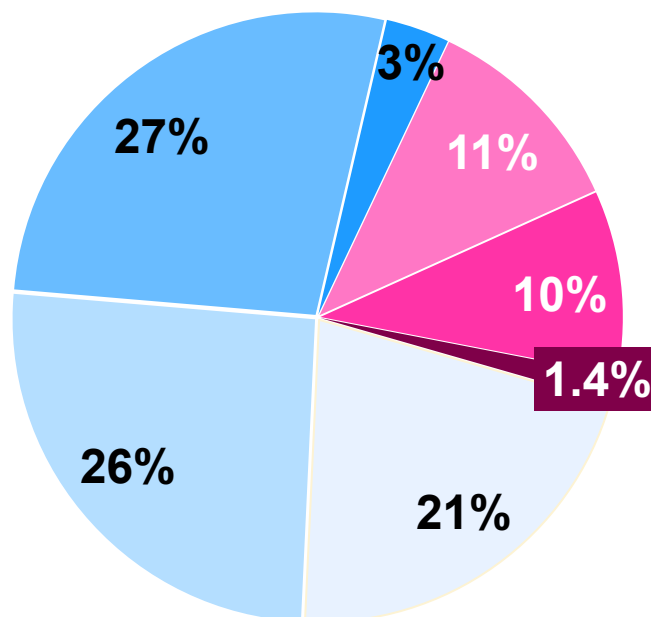


State G (v National): 7 RG Groups

2023 (n=3193) National



2023 (n=351) = STATE G



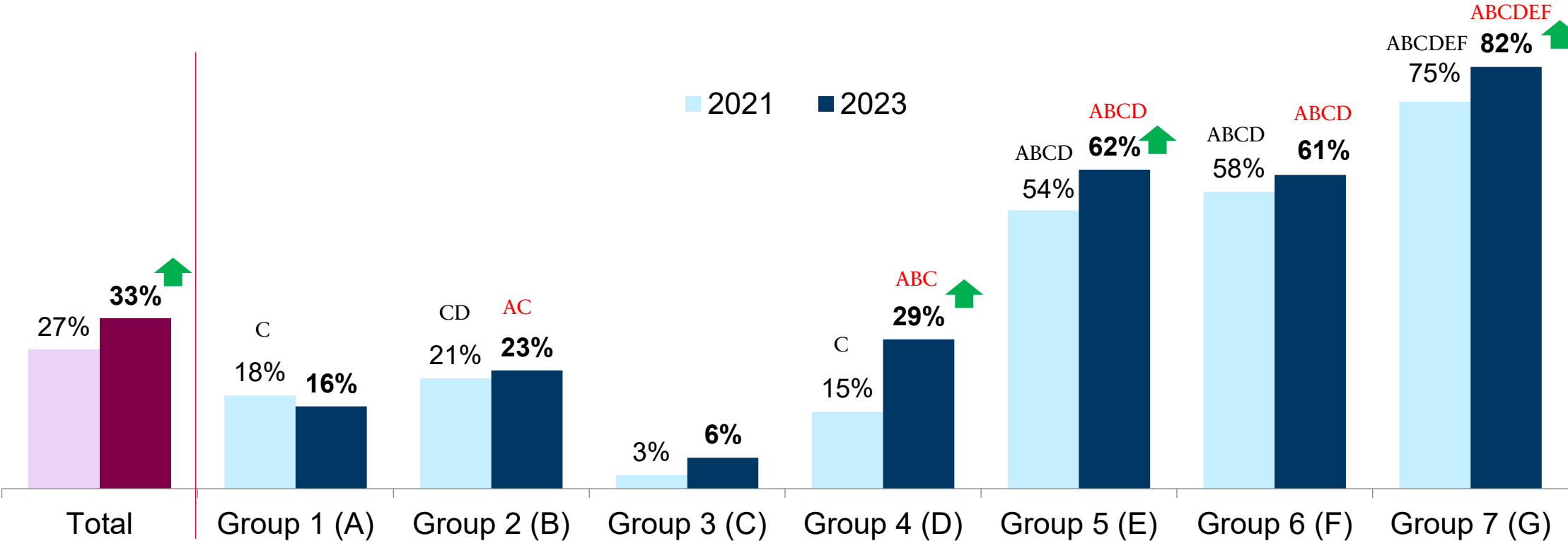
- Groups 5, 6 and 7 are the heaviest gambling groups, representing under a quarter of State G at 22%, (significantly lower than the national average).
- However, Group 7 has the greatest percentage of people who show the most symptoms of a gambling disorder, and it is only 1.4% of the State G population, again significantly lower than the national level.
- Group 6 is also close to the size of the national level (11%) at 10%.

Group 1 Group 2 Group 3 Group 4 Group 5 Group 6 Group 7



Importance of Gambling: T2B% (By Groups)

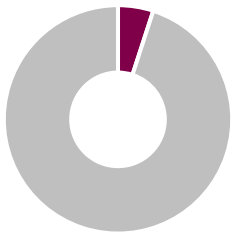
The importance of gambling is significantly higher for Group 7 respondents and has increased significantly compared to 2021.



Base: Total Respondents; *Low base size
GM3: How important is gambling to you as a recreational activity?
2021 n=3039, 418, 785, 657, 264, 454, 299, 162; 2023 n=3193, 300, 917, 675, 245, 559, 345, 152
Capital letter indicates a significant difference between groups at 95%
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Group 7: National Snapshot



5% of
Market

This group **over-indexes** on:



Male



Age 18-44



African-American



Married



Have children
living in HH



Masters
degree or
higher



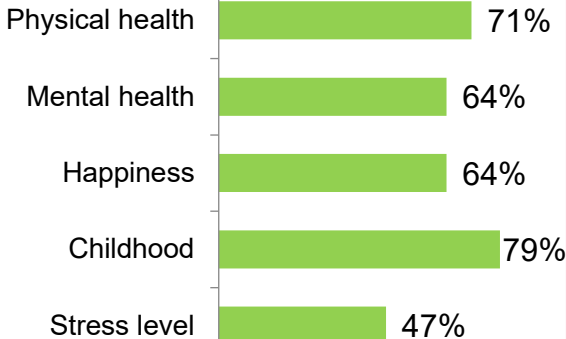
Employed full
time



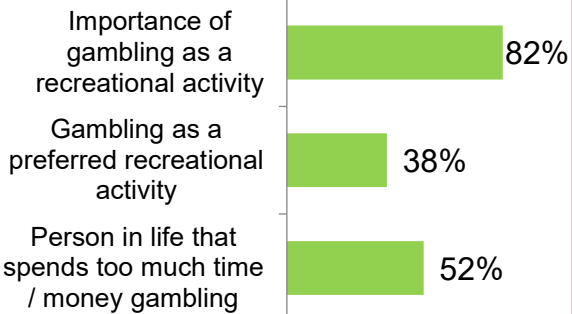
HH income
\$100k+

High Index (>120)
Low Index (<80)

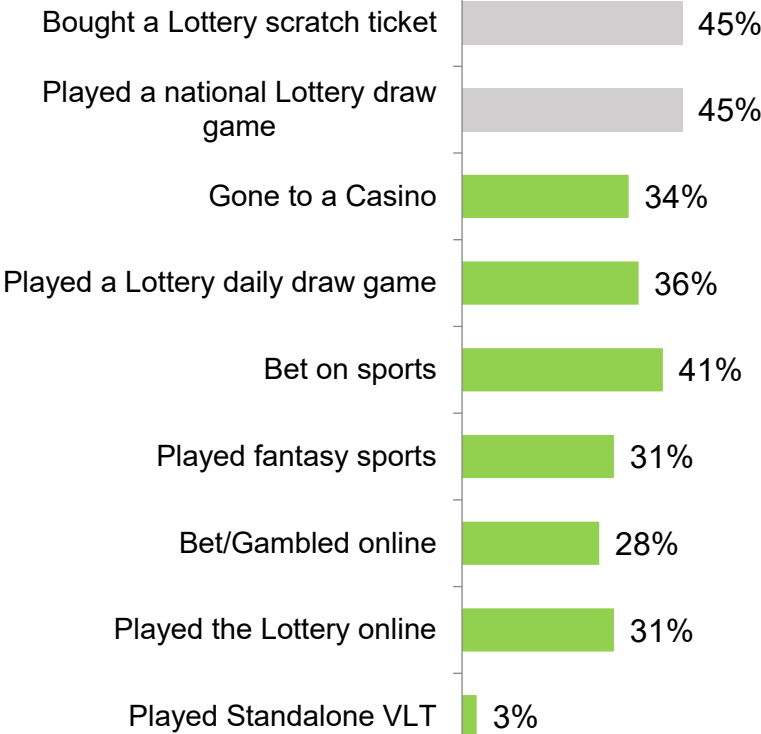
Health



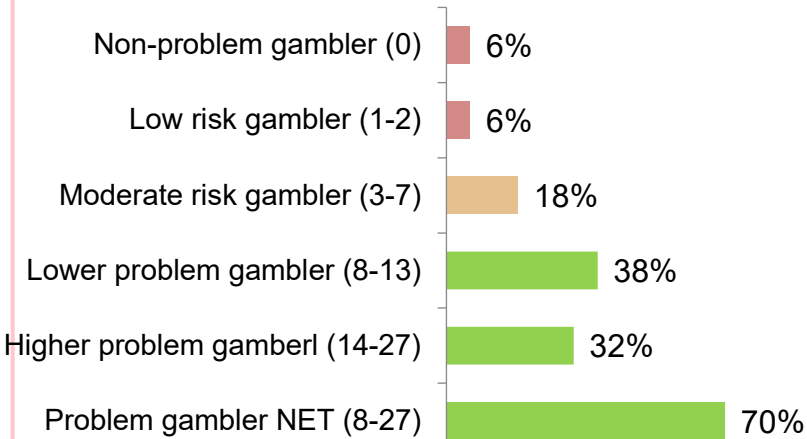
Gambling



Played in past year



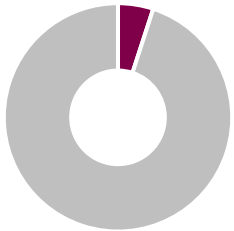
PGSI Group





Group 7: National Snapshot

Index



5% of
Market

This group **over-indexes** on:



Male



Age 18-44



African-
American



Married



Have children
living in HH



Masters
degree or
higher



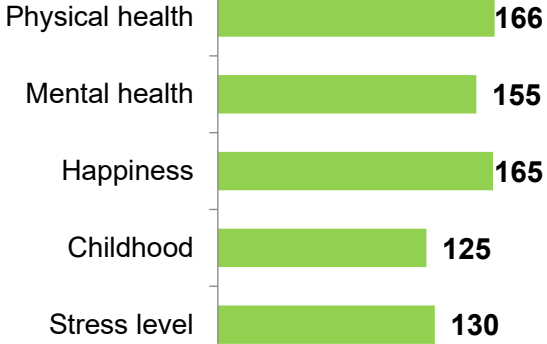
Employed full
time



HH income
\$100k+

High Index (>120)
Low Index (<80)

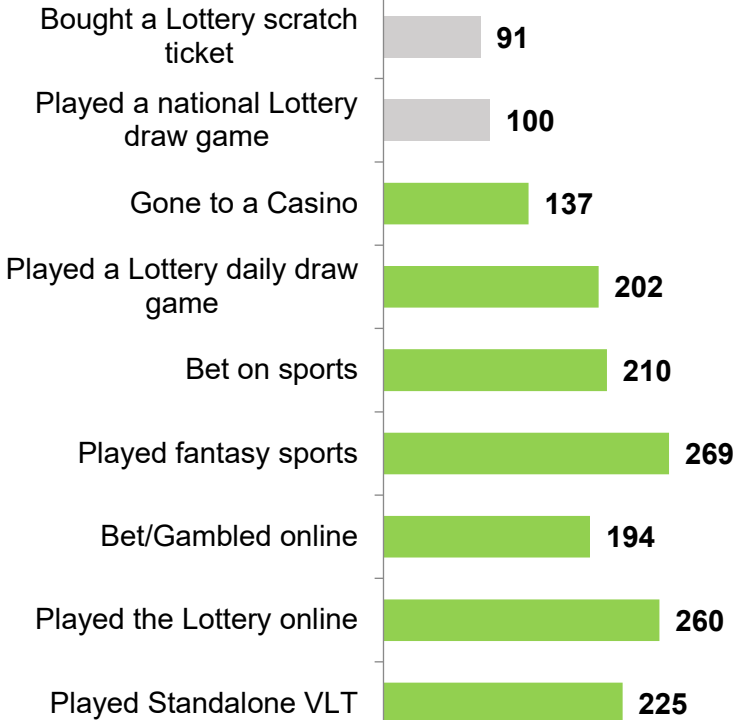
Health



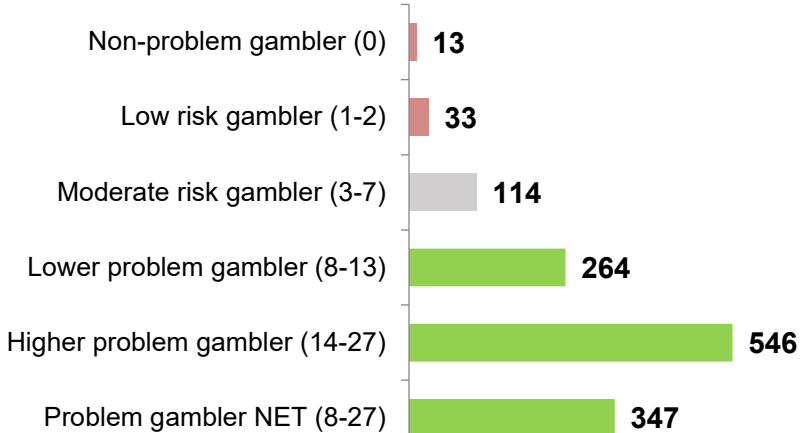
Gambling



Played in past year



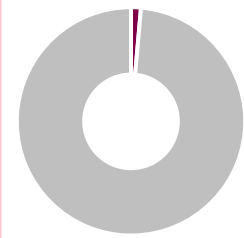
PGSI Group





Group 7: Snapshot* - State G

*very low base size <10



1% of Market

This group **over-indexes** on:



Male



Age 25 – 34



Married



2 kids
3 Kids



Regular High School
Diploma or GED
Some College, but less
than 1 year



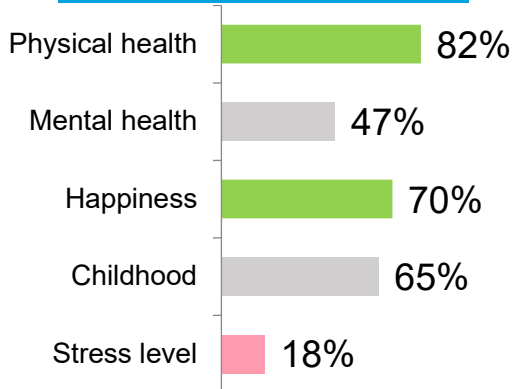
Employed Full
time



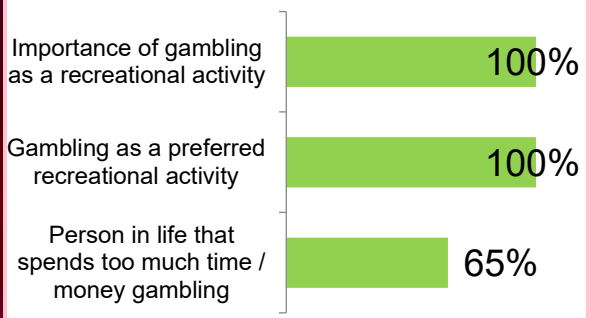
\$25,000 to \$34,999
\$100,000 to \$149,999
\$150,000 to \$199,999

High Index (>120)
Low Index (<80)

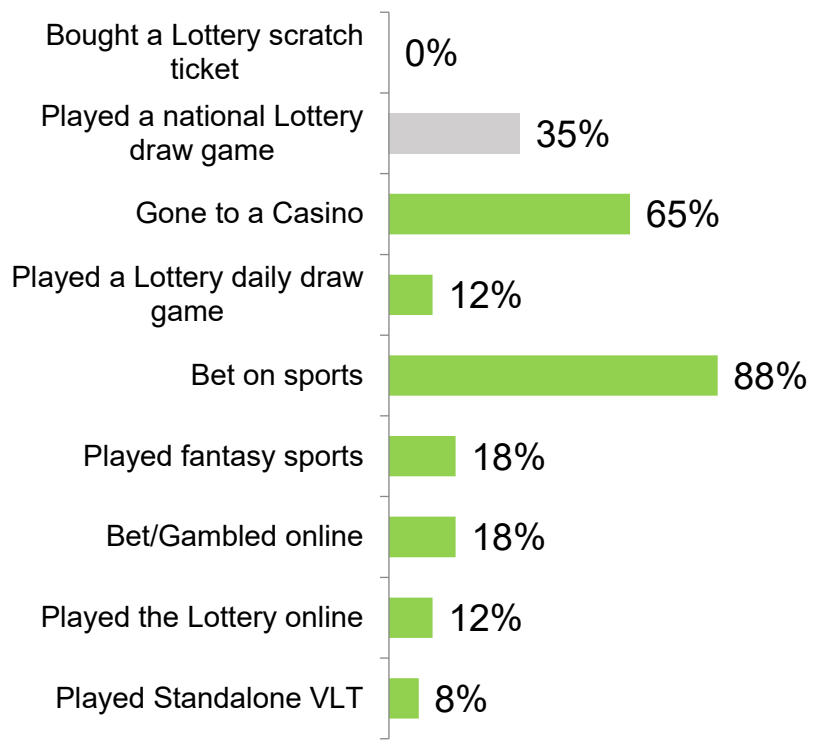
Health



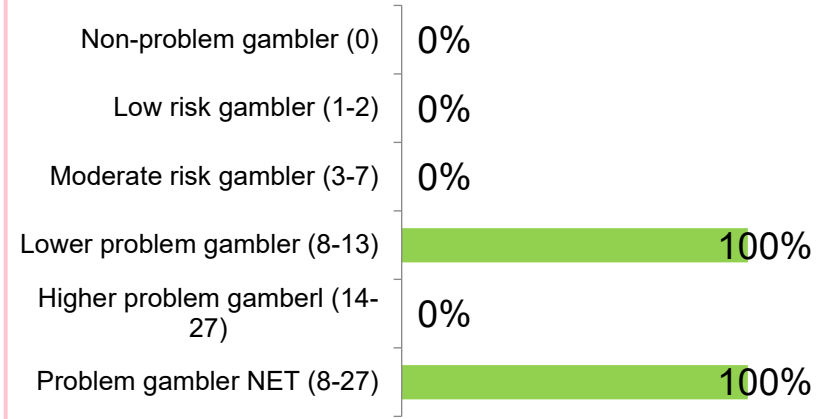
Gambling



Played in past year



PGSI Group

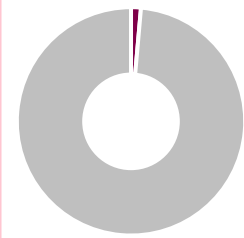


Refer slide notes for question and base text



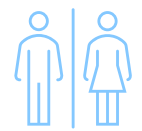
Group 7: Snapshot **Index*** - State G

***very low base size <10**



1% of Market

This group **over-indexes** on:



Male



Age 25 – 34



Married



2 kids
3 Kids



Regular High School
Diploma or GED
Some College, but less
than 1 year



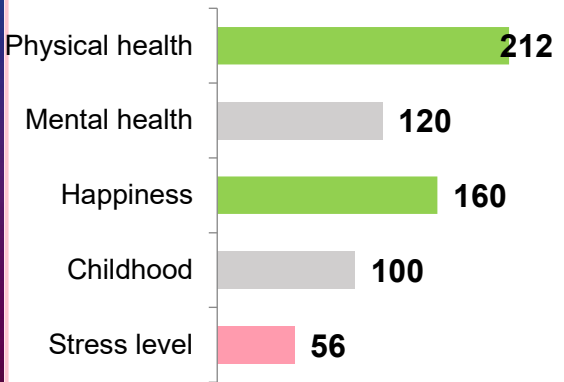
Employed Full
time



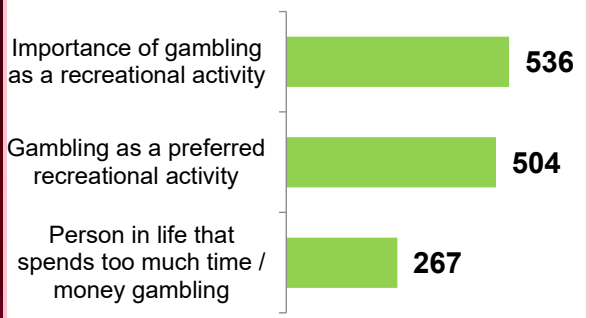
\$25,000 to \$34,999
\$100,000 to \$149,999
\$150,000 to \$199,999

High Index (>120)
Low Index (<80)

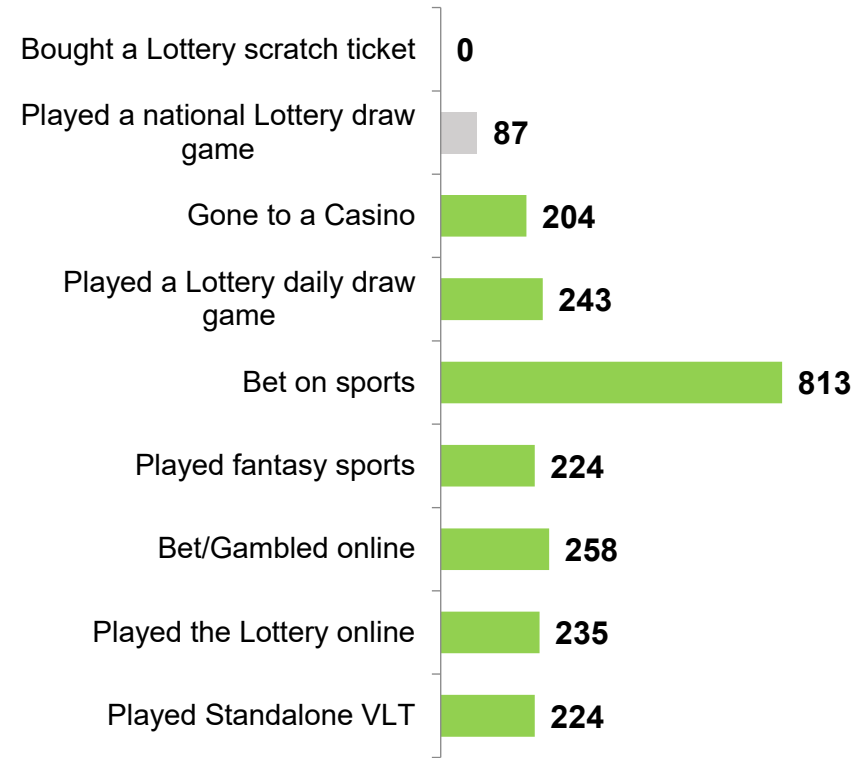
Health



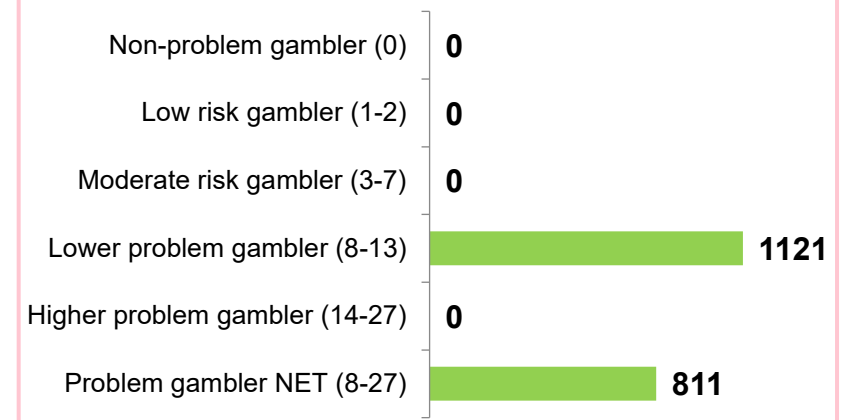
Gambling



Played in past year



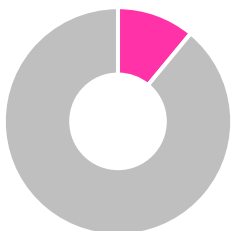
PGSI Group





Group 6: National Snapshot

Index



11% of Market

This group **over-indexes** on:

High Index (>120)
Low Index (<80)



Male



Age 18-34



Hispanic & Asian



Living with a Partner



Have children living in HH



Student

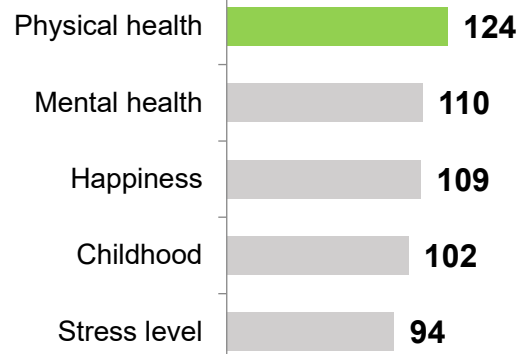


Employed full or part time



HH income \$100k+

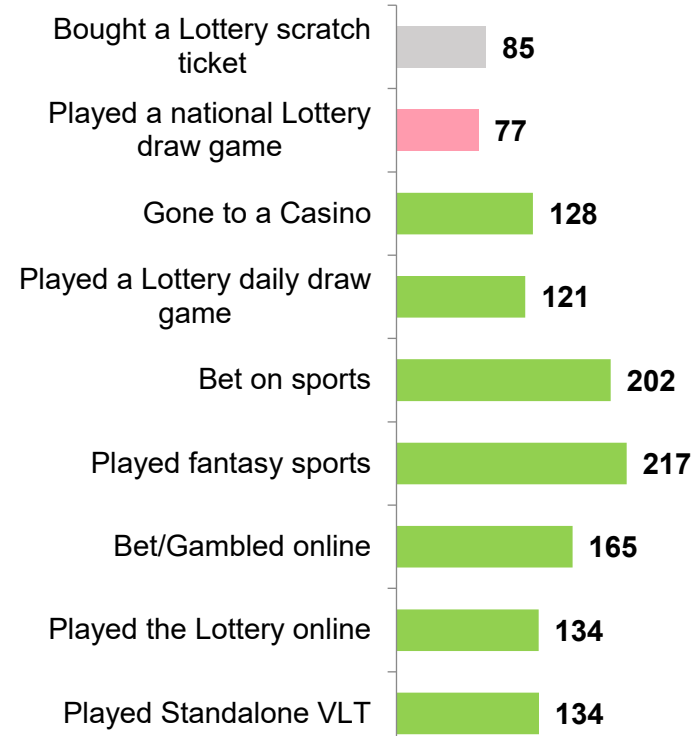
Health



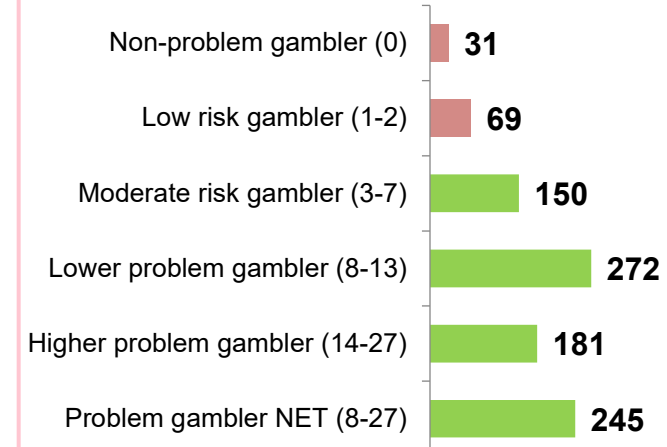
Gambling



Played in past year



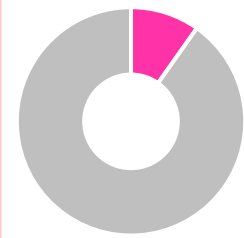
PGSI Group



Refer slide notes for question and base text

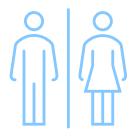


Group 6: Snapshot **Index** - State G



10% of Market

This group **over-indexes** on:



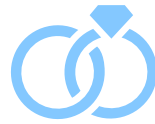
Male



Age 18 - 24
Age 25 - 34



Black or African American,
American Indian or Native Alaskan



Living with your partner



1 Kid
3 Kids
4 Kids



Never attended school/Kindergarten
Grades 1 through 8
Regular High School Diploma or GED



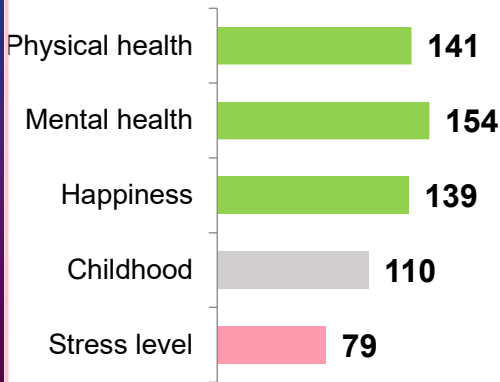
Employed Full time
Unemployed



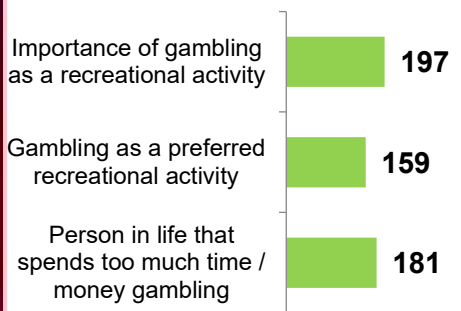
\$75,000 to \$99,999
\$100,000 to \$149,999
\$150,000 to \$199,999
\$200,000 or more

High Index (>120)
Low Index (<80)

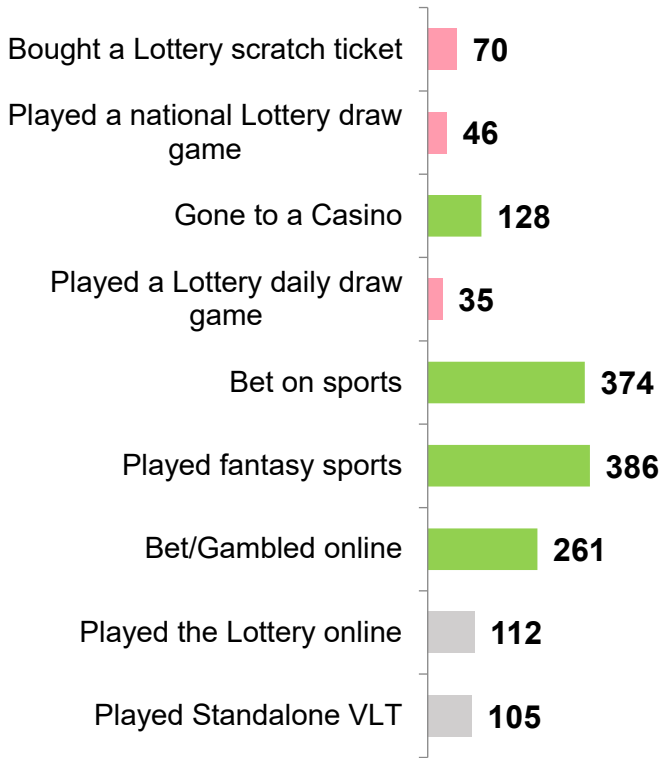
Health



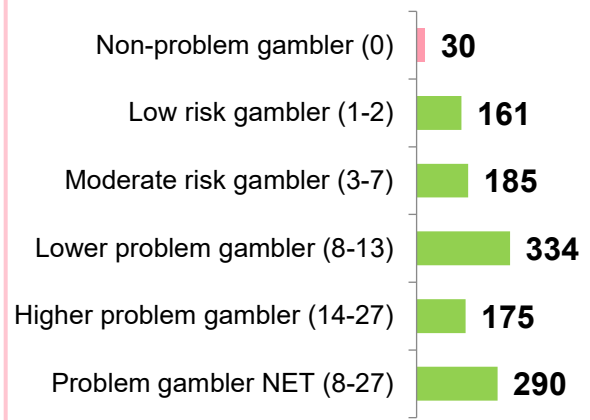
Gambling



Played in past year



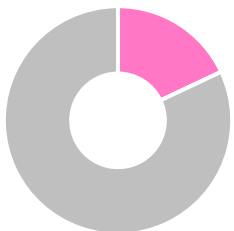
PGSI Group





Group 5: National Snapshot

Index



18% of
Market

This group **over-indexes** on:



Age 18-44



Hispanic &
African-American



Living with a Partner



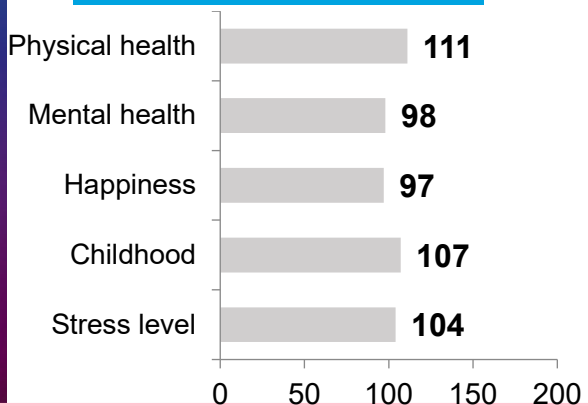
Have children living in
HH



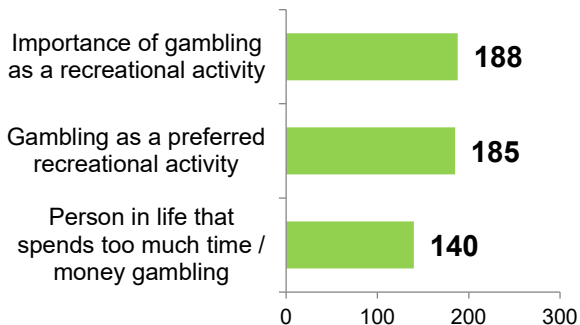
Employed full or part
time

High Index (>120)
Low Index (<80)

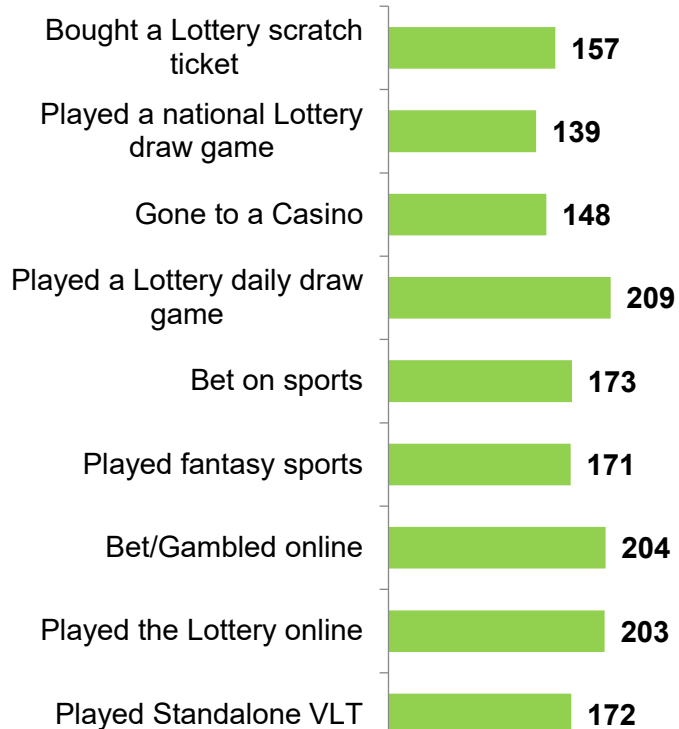
Health



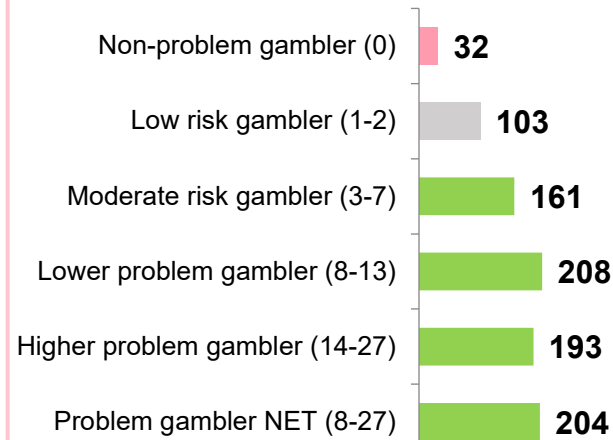
Gambling



Played in past year

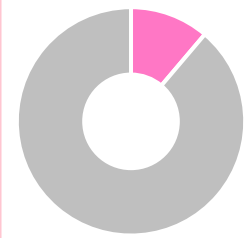


PGSI Group





Group 5: Snapshot **Index** - State G



11% of Market

This group **over-indexes** on:

High Index (>120)
Low Index (<80)



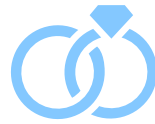
Male



Age 25 - 34
Age 35 - 44



Black or African American,
Asian or Pacific Islander



Never been married



2 Kid 3 Kids
5 Kids 6 Kids



Never attended school/Kindergarten
Grades 9 through 11
Regular High School Diploma or GED

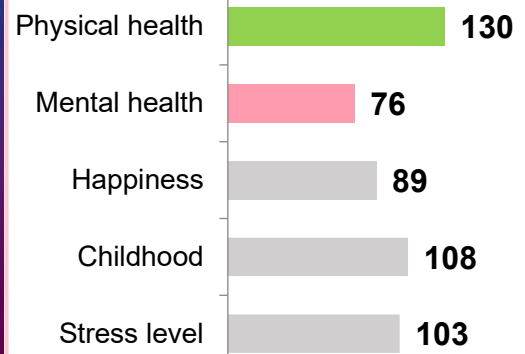


Employed Full time
Employed Part time



\$25,000 to \$34,999
\$50,000 to \$74,999

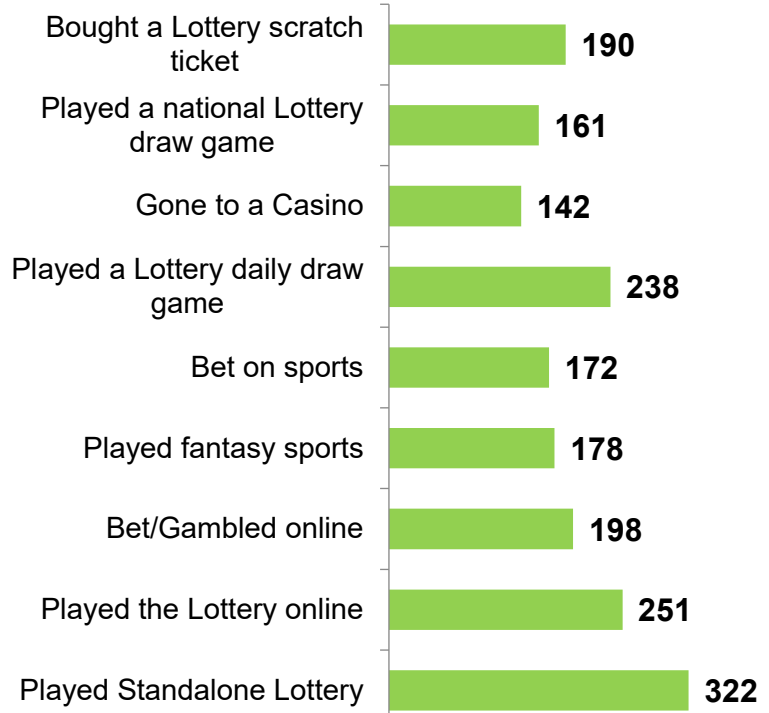
Health



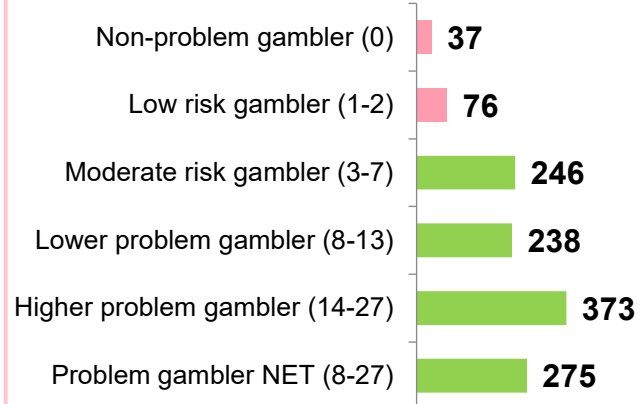
Gambling



Played in past year



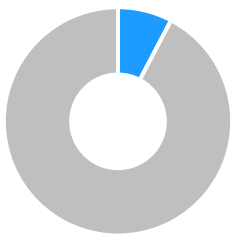
PGSI Group





Group 4: National Snapshot

Index



8% of Market

This group **over-indexes** on:

High Index (>120)
Low Index (<80)



Age 18-24



Asian



Never been Married



Some College, No Degree

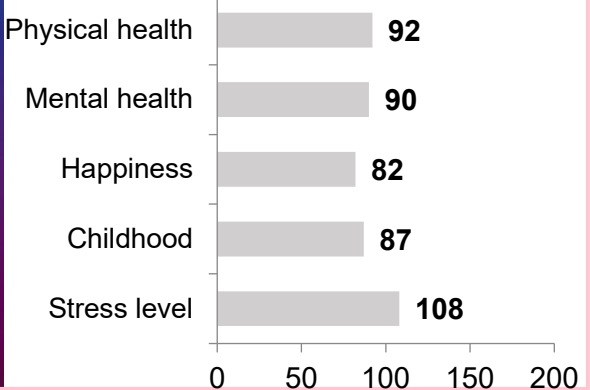


Student, Part Time, Unemployed

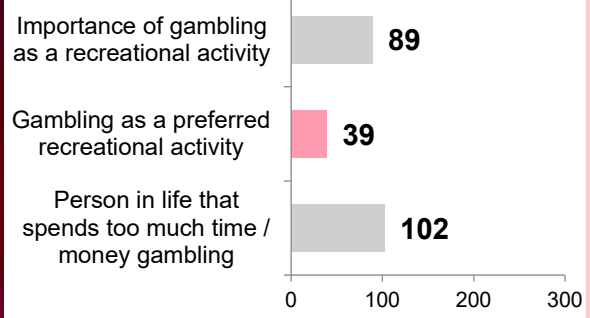


HH income \$49k or less

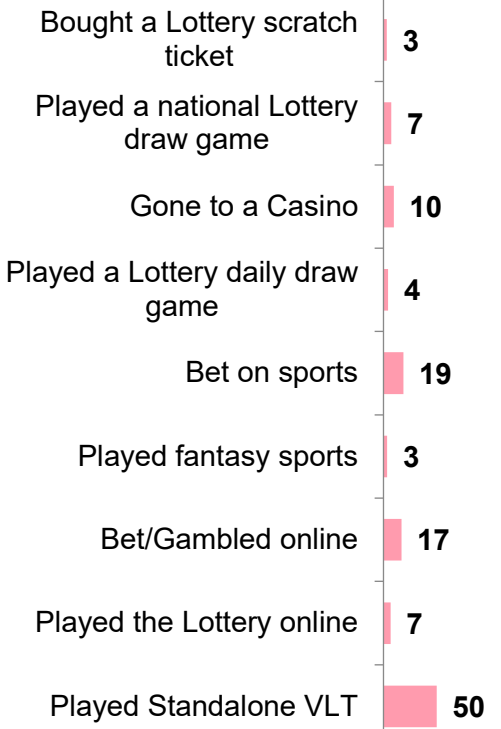
Health



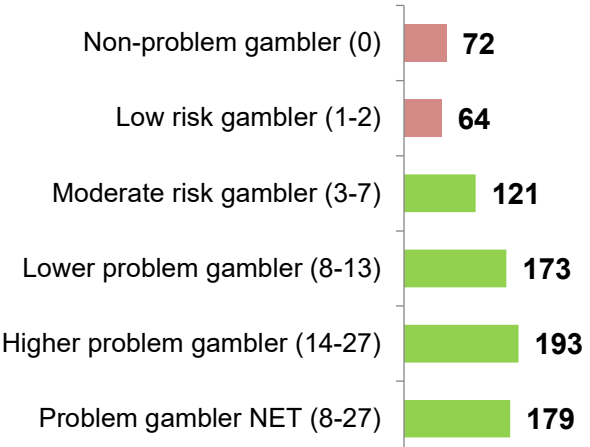
Gambling



Played in past year



PGSI Group

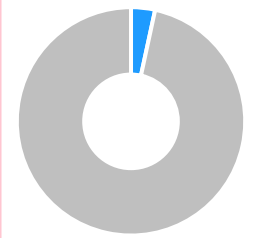


Refer slide notes for question and base text



Group 4: Snapshot **Index*** - State G

*low base size <20



3% of Market

This group **over-indexes** on:



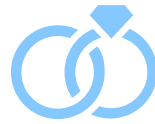
Female



Age 18 - 24
Age 25 - 34
Age 35 - 44
Age 55 - 64



American Indian
or Native Alaskan



Living with
your partner,
Divorced



1 Kid
2 Kids
3 Kids



Grades 1 through 8
Grades 9 through 11
Regular High School
Diploma or GED
Associate Degree



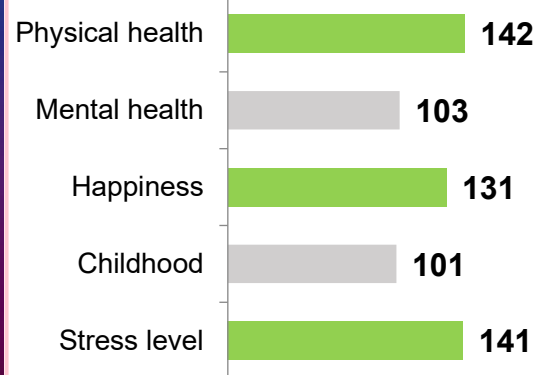
Employed Part
time
Student
Unemployed



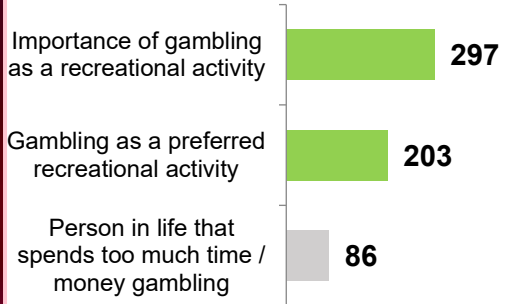
Less than \$10,000
\$15,000 to \$24,999
\$200,000 or more
Don't know /
Refused

High Index (>120)
Low Index (<80)

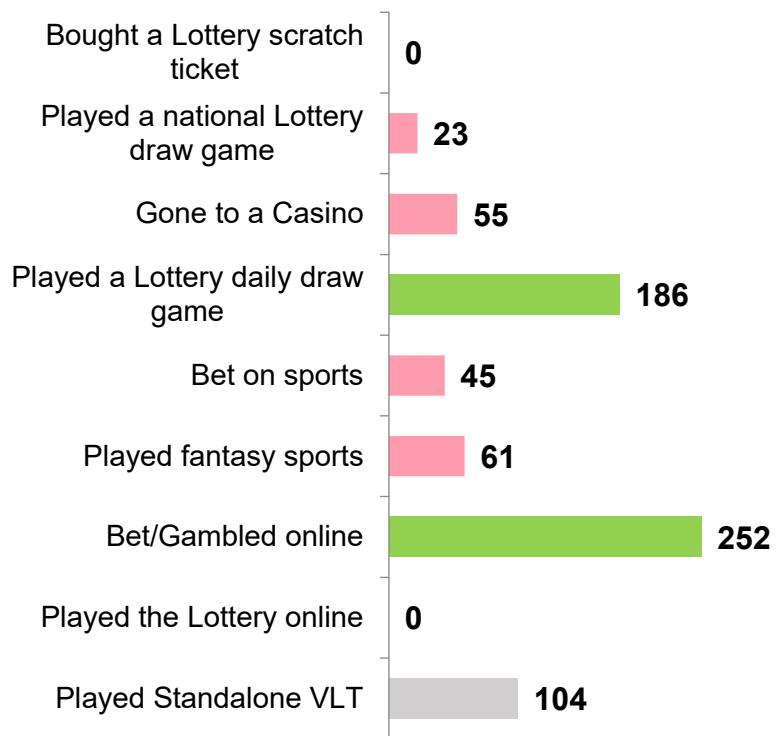
Health



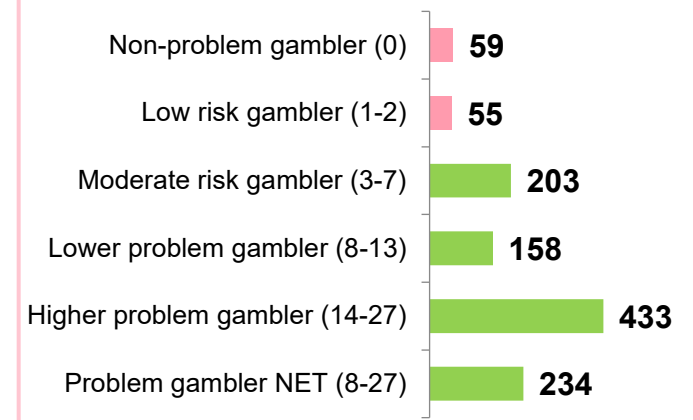
Gambling



Played in past year



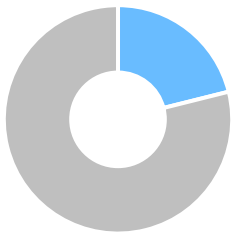
PGSI Group





Group 3: National Snapshot

Index



21% of
Market

This group **over-indexes** on:



Age 65+



Divorced,
Widowed



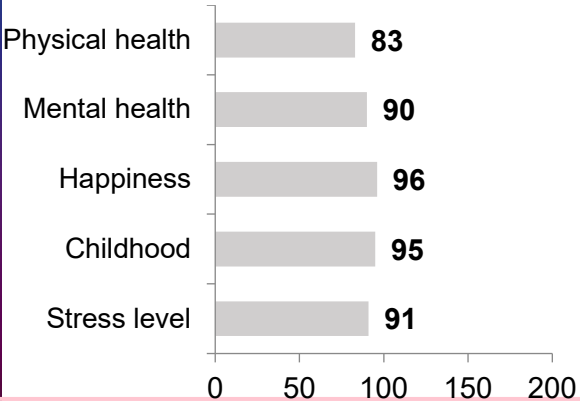
Doctorate
Degree



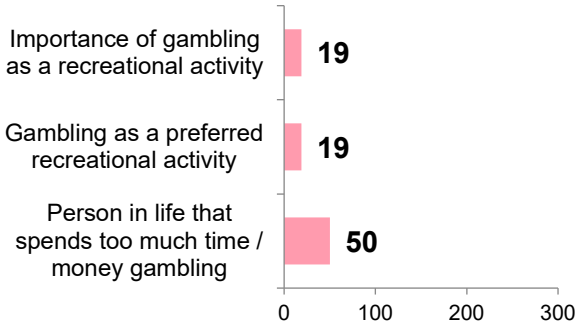
Retired,
Homemaker

High Index (>120)
Low Index (<80)

Health



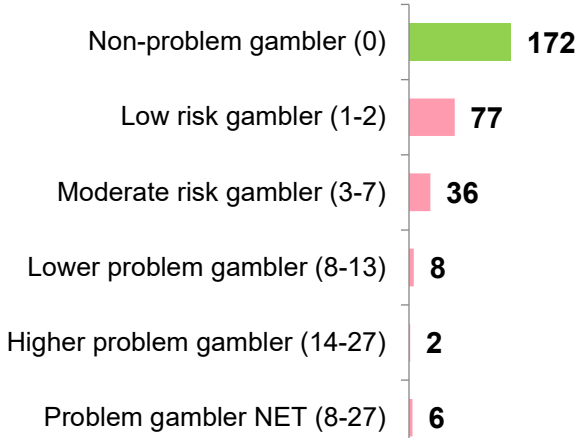
Gambling



Played in past year



PGSI Group





Group 3: Snapshot **Index** - State G



27% of Market

This group **over-indexes** on:

High Index (>120)
Low Index (<80)



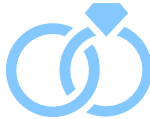
Female



Age 18 - 24
Age 55 - 64
65 or older



Asian or Pacific
Islander
Some other race



Never been
married



4 Kids



Grades 1 through 8
Master's Degree

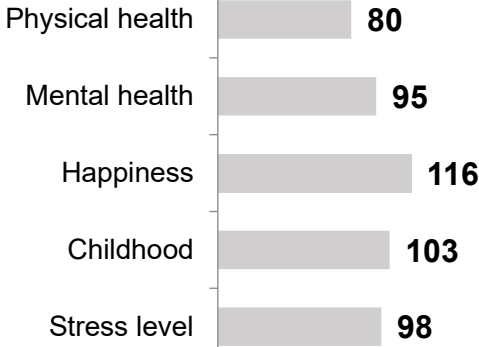


Retired
Homemaker

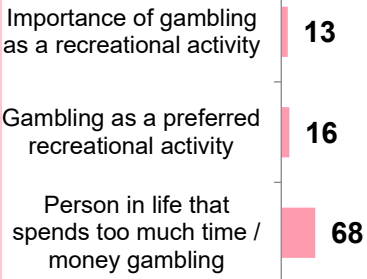


Less than \$10,000
\$15,000 to \$24,999
\$50,000 to \$74,999
\$75,000 to \$99,999

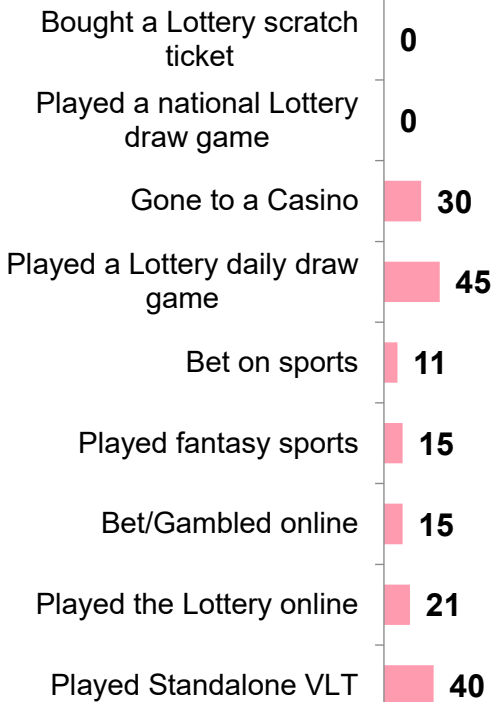
Health



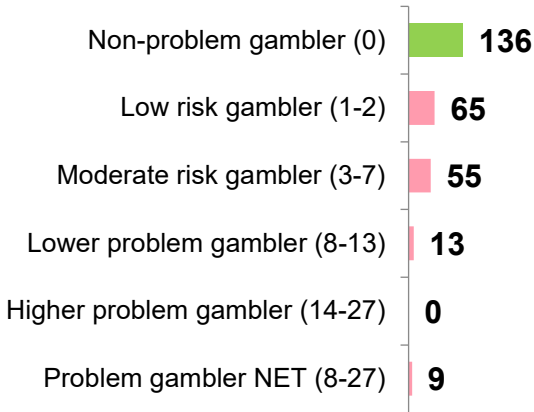
Gambling



Played in past year



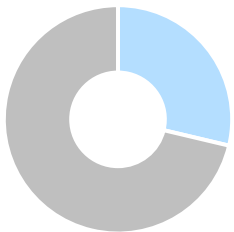
PGSI Group





Group 2: National Snapshot

Index



29% of
Market

This group **over-indexes** on:



Age 45-54



Living with Partner/
Divorced



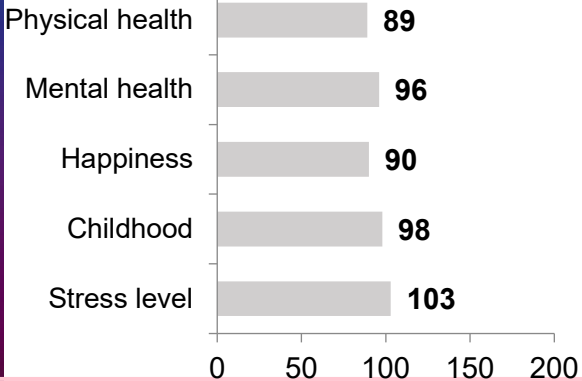
Some College,
No Degree



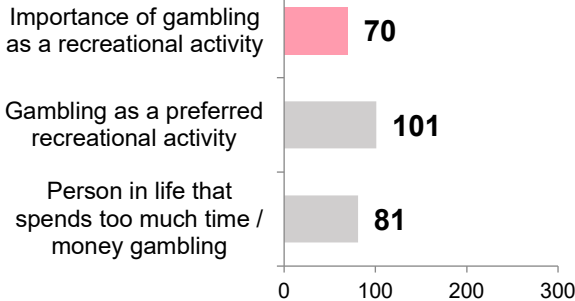
Unemployed,
Homemaker

High Index (>120)
Low Index (<80)

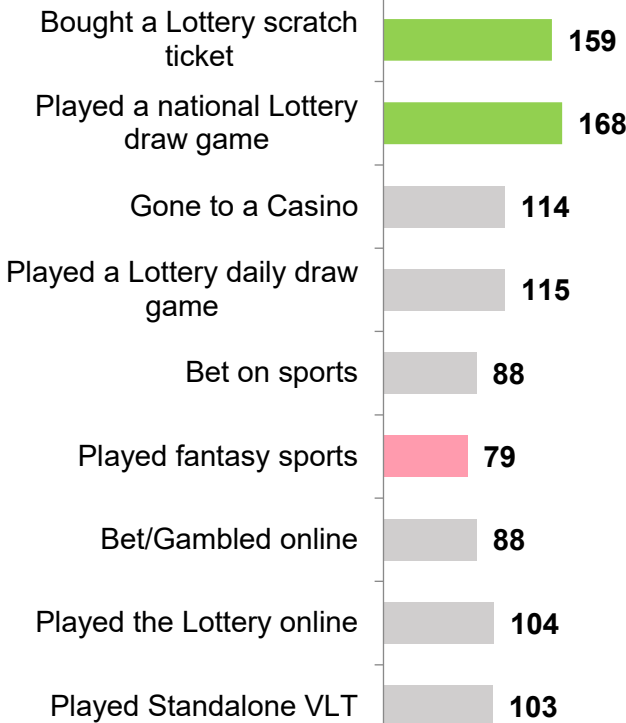
Health



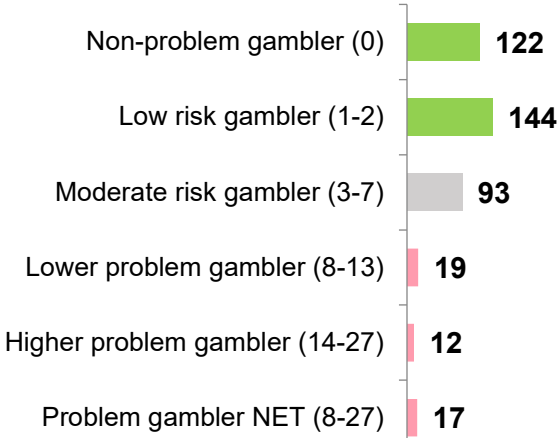
Gambling



Played in past year



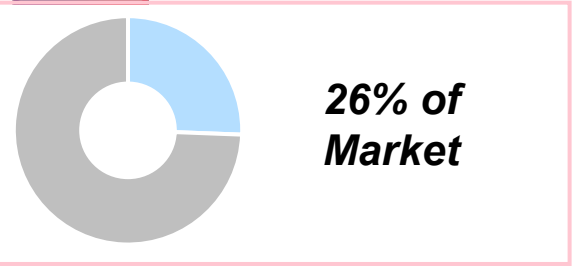
PGSI Group



Refer slide notes for question and base text



Group 2: Snapshot **Index** - State G



This group **over-indexes** on:



Female



Age 45 - 54



Living with your partner
Separated, but still
legally married
Divorced



4 Kids



Associate Degree
Master's Degree

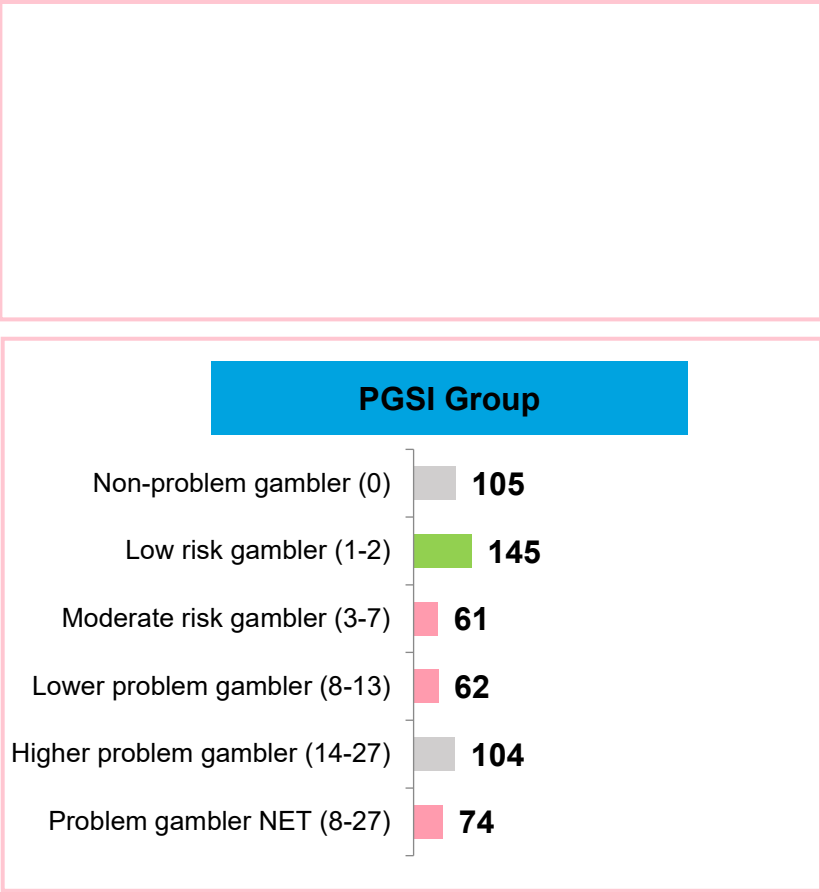
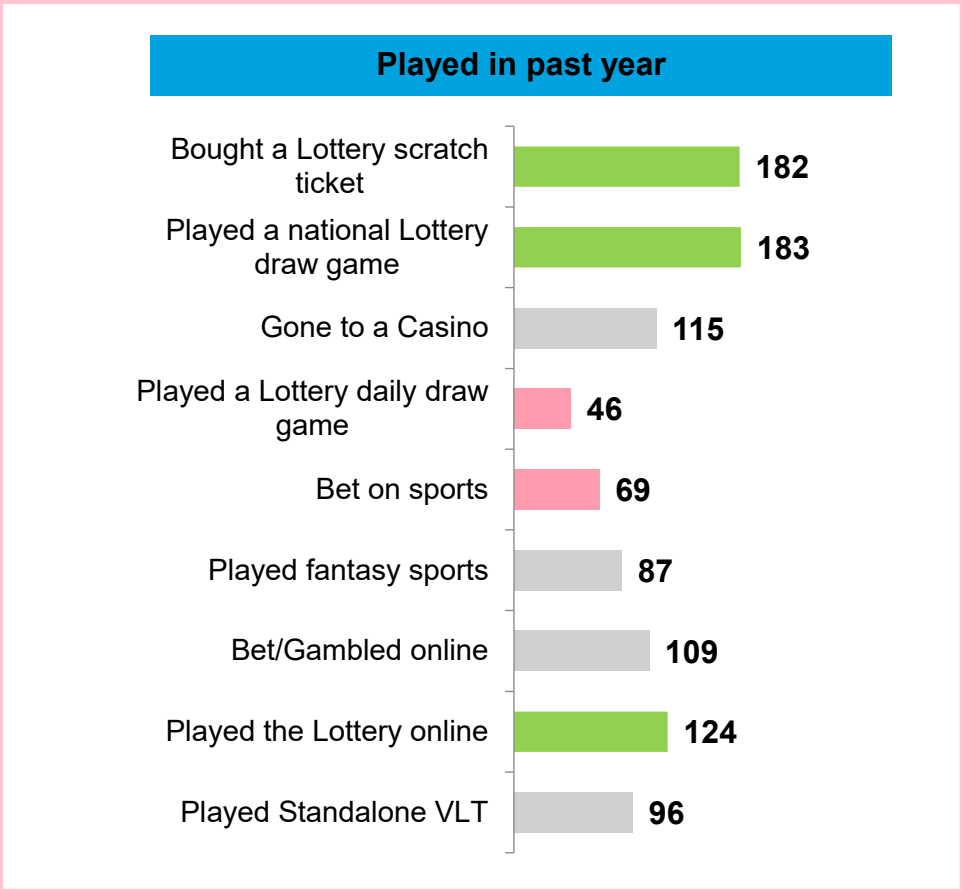
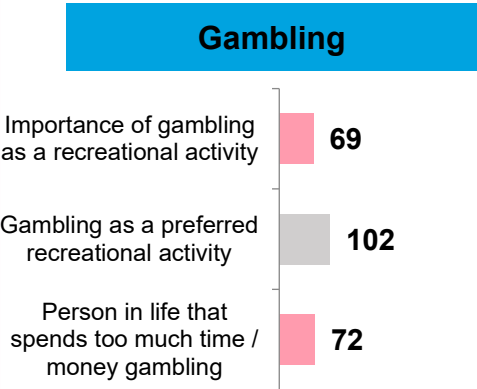
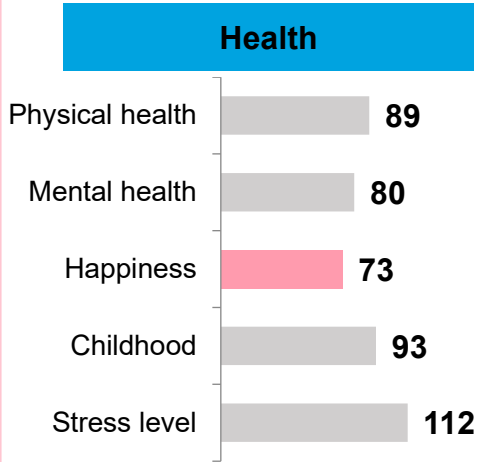


Employed Part
time
Don't
Know/Refused



\$25,000 to \$34,999
\$150,000 to \$199,999
Don't know / Refused

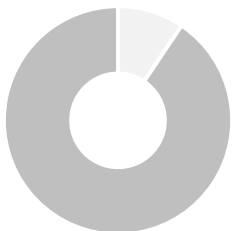
High Index (>120)
Low Index (<80)





Group 1: National Snapshot

Index



9% of
Market

This group **over-indexes** on:



Divorced



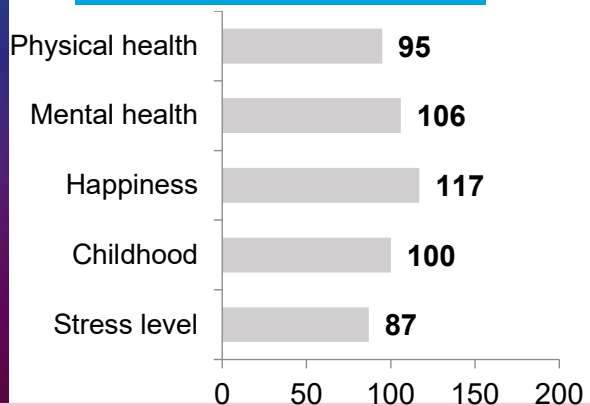
Bachelor's
Degree



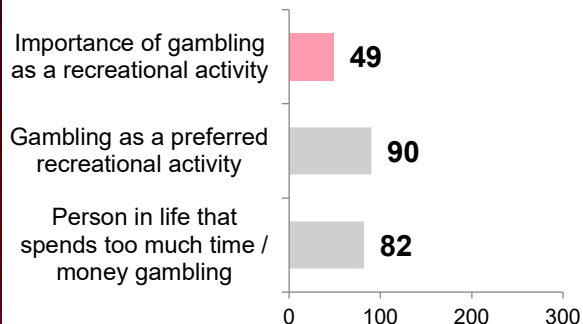
HH Income \$100k+

High Index (>120)
Low Index (<80)

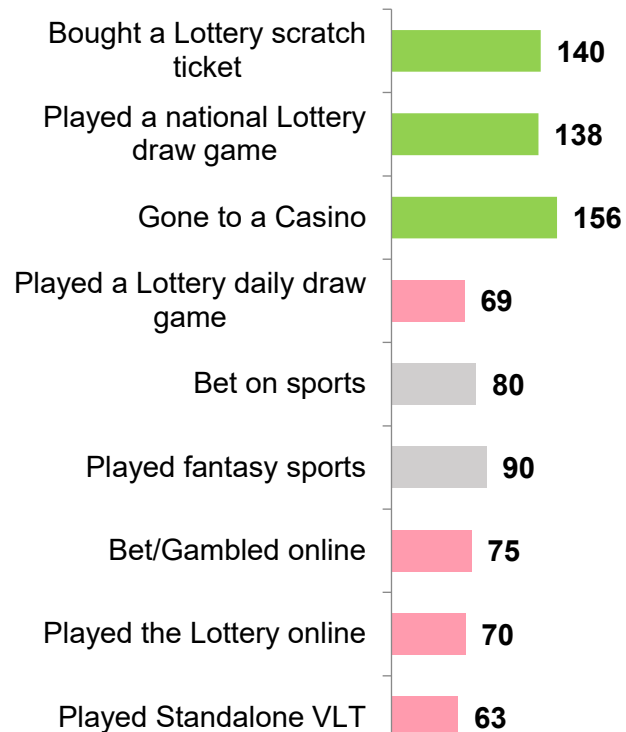
Health



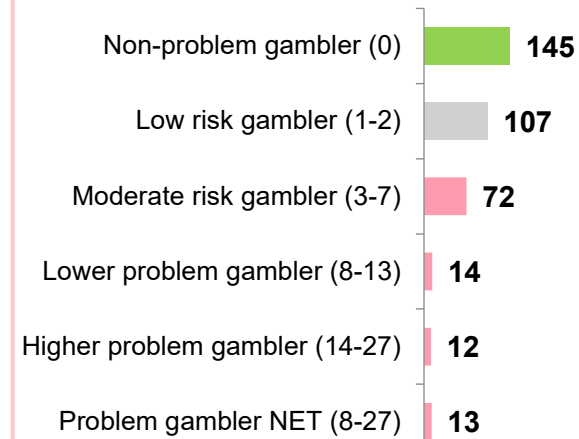
Gambling



Played in past year

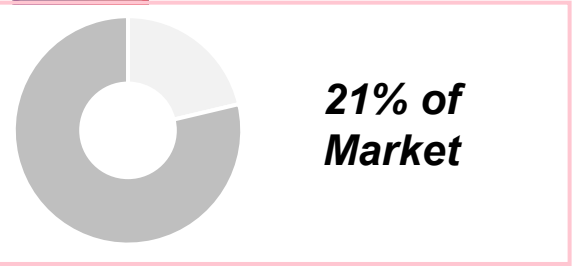


PGSI Group





Group 1: Snapshot **Index** - State G



This group **over-indexes** on:

High Index (>120)
Low Index (<80)



Age 55 - 64
65 or older



Widowed



1 Kid



1 or more years of college but no degree
Bachelor's Degree
Doctorate Degree

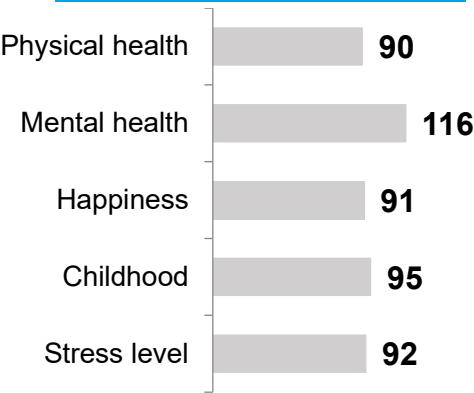


Student
Retired



\$10,000 to \$14,999
\$100,000 to \$149,999

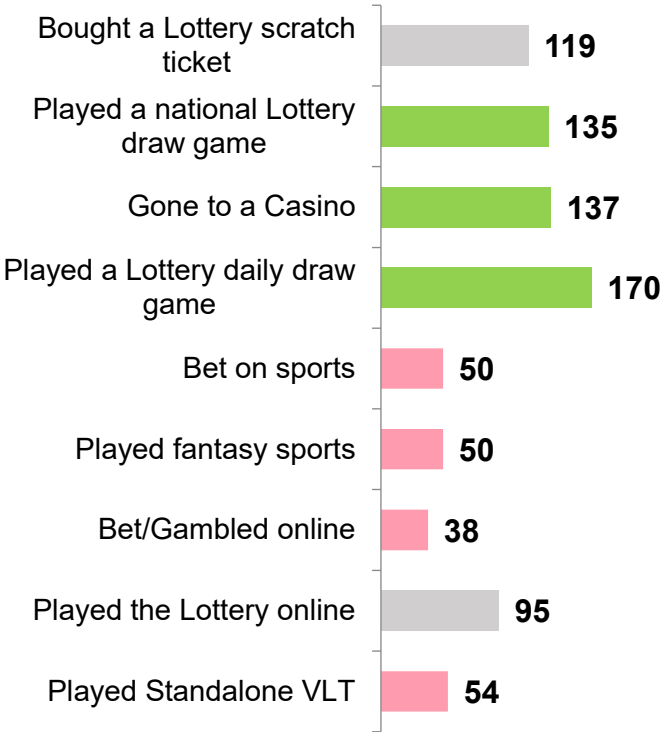
Health



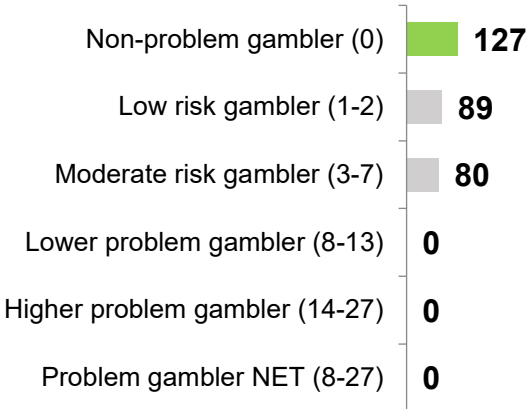
Gambling



Played in past year



PGSI Group





Responsible Gaming State oversample analysis 2023



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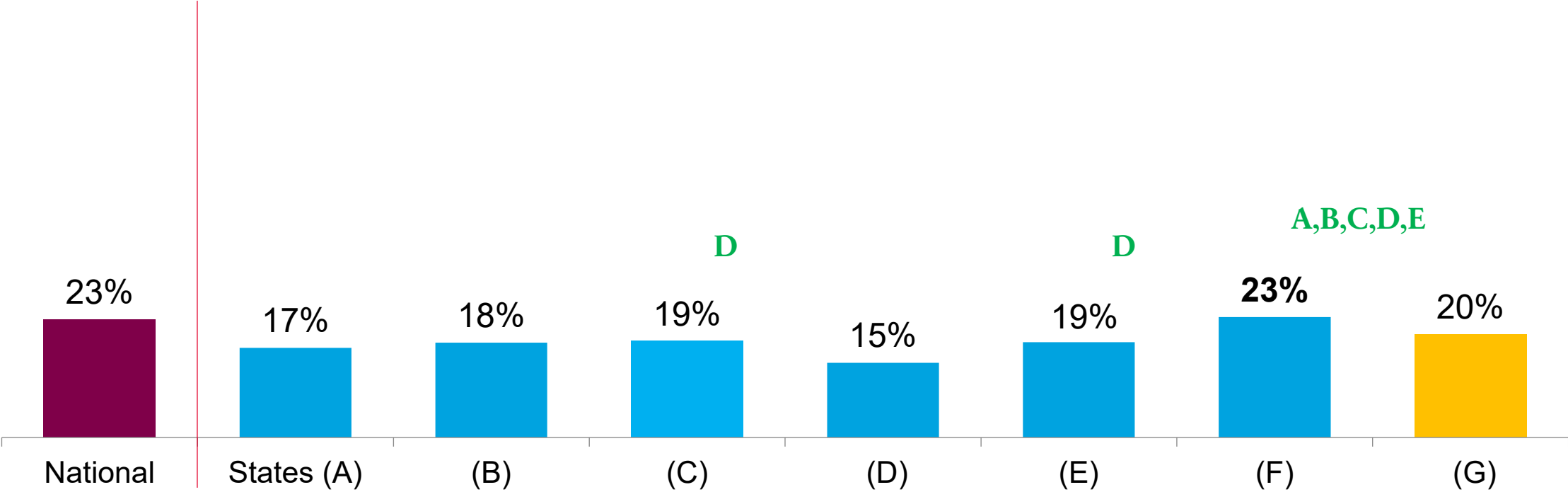
Responsible Gaming Groups (States)

	National	A	B	C	D	E	F	State G
	n=3193	1014	505	901	1004	1010	1013	351
		A	B	C	D	E	F	G
Group 1	9%	11%	17% ACDEF	11%	9%	11%	11%	21% ACDEF
Group 2	29%	29%	32%	30%	33% AG	35% AG	36% ACG	26%
Group 3	21%	22%	25% F	21%	23%	21%	19%	27% ACEF
Group 4	8%	7% BG	4%	5%	6%	6%	6%	3%
Group 5	18%	17% BG	12%	17% B	16%	15%	16% B	11%
Group 6	11%	9%	8%	11% BF	9%	8%	7%	10%
Group 7	5%	5% BG	2%	6% BEG	4% BG	3%	4% BG	1.4%



Gambling: Preferred Recreational Activity (States)

Gambling as a preferred activity is significantly more widespread among State F (23%) when compared to five of the other states. State D has the lowest gambling preference.

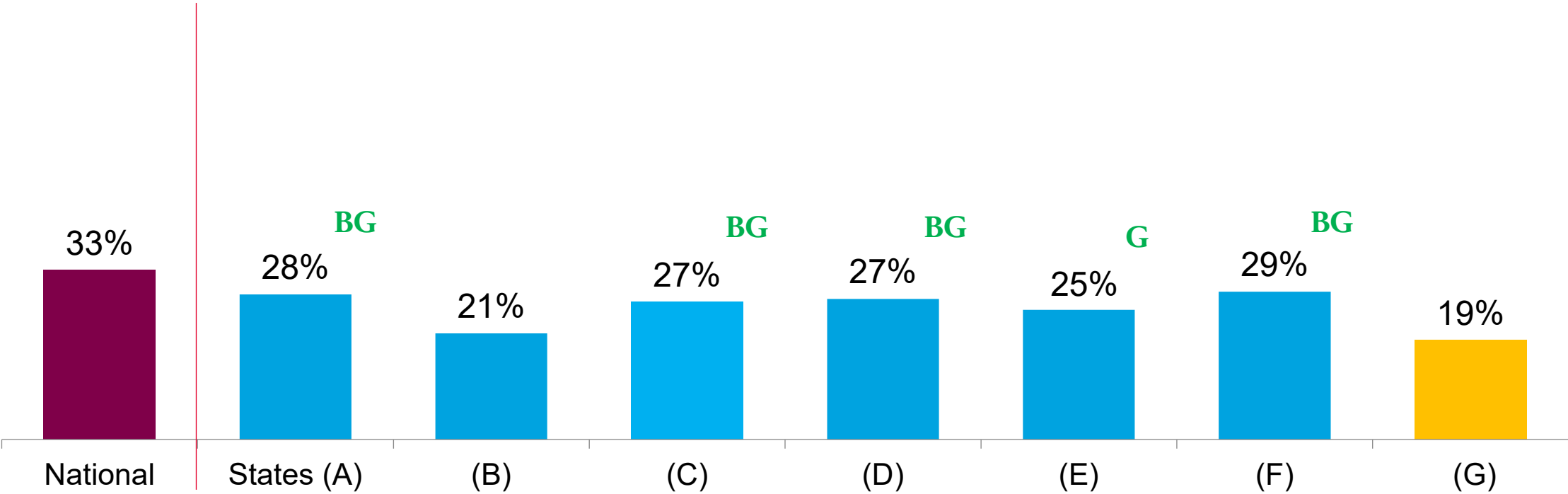


Base: Total Respondents
C1. Which of the following are your preferred recreational activities? Would you say...
Total n=3193, State A n=1014, State B n=505, State C n=901, State D n=1004, State E n=1010, State F n=1013, State G n=351
Capital letter indicates a significant difference between groups at 95%
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Importance of Gambling: T2B% (States)

The importance of gambling is significantly higher in States A, C, D and F, compared to State B States B and G.



Base: Total Respondents
GM3: How important is gambling to you as a recreational activity?
Total n=3193, State A n=1014, State B n=505, State C n=901, State D n=1004, State E n=1010, State F n=1013, State G n=351
Capital letter indicates a significant difference between groups at 95%



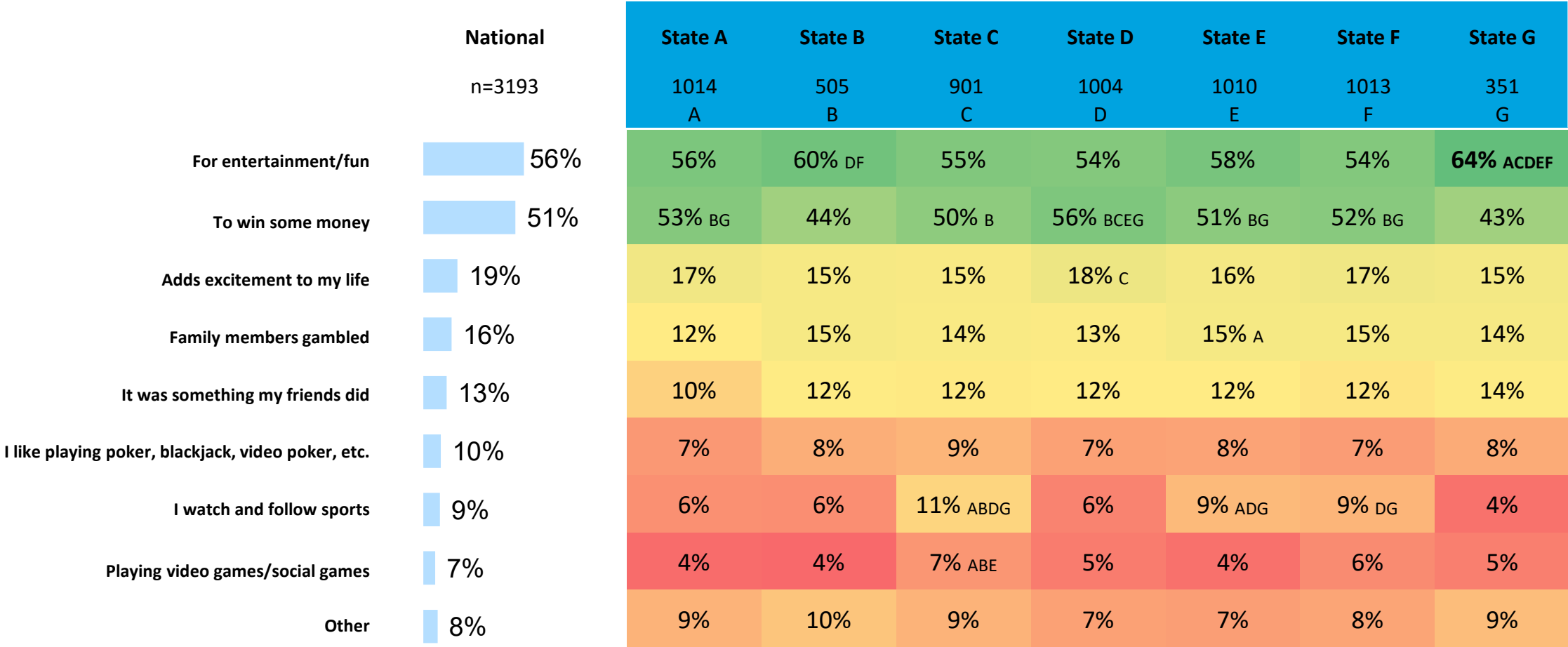
Gambling Activities in the Past Year (States)

	National	State A	State B	State C	State D	State E	State F	State G
	Unweighted Total n=3193	1014 A	505 B	901 C	1004 D	1010 E	1013 F	351 G
Bought a Lottery instant scratch ticket, for you or someone else	50%	49% G	46% G	48% G	54% ABCG	54% ABCG	57% ABCG	39%
Played a national Lottery draw game	45%	49% G	51% G	51% EG	49% G	46%	51% EG	40%
Gone to a Casino	25%	14%	30% ACDE	20% AD	14%	23% AD	28% ACDE	32% ACDE
Played bingo	20%	18%	18%	16%	15%	19% D	20% D	18%
Bet on sports	20%	16% D	16% DG	21% ADG	12%	21% ABDG	21% ABDG	11%
Played a Lottery daily draw game	18%	18% BG	8%	21% BG	17% BG	18% BG	24% ABDEG	5%
Bet/Gambled online	14%	9%	10%	8%	9%	10% G	18% ABCDEG	7%
Played the Lottery online on a mobile device or personal computer	12%	15% BCEG	4%	7% B	13% BCEG	9% BG	13% BCEG	5%
Played fantasy sports	12%	11%	11%	14% AEFG	11%	10%	11%	8%
Bet on a horse race	6%	3%	4% DG	7% ADG	2%	6% ADG	5% ADG	1%
Played in a live poker game or tournament	5%	4%	5%	4%	3%	5%	4%	2%
Played DFS	4%	3%	3%	4% G	3%	4% G	3%	2%
Played a standalone video lottery terminal (VLT) with 10 machines or less	3%	3%	1%	2%	2%	3%	4% BCD	8% ABCDEF
I have done none of the above	23%	24%	22%	21%	24%	22%	20%	25%

Base: Total Respondents
PY1. Which of the following have you done in the past year?
Capital letter indicates a significant difference between groups at 95%

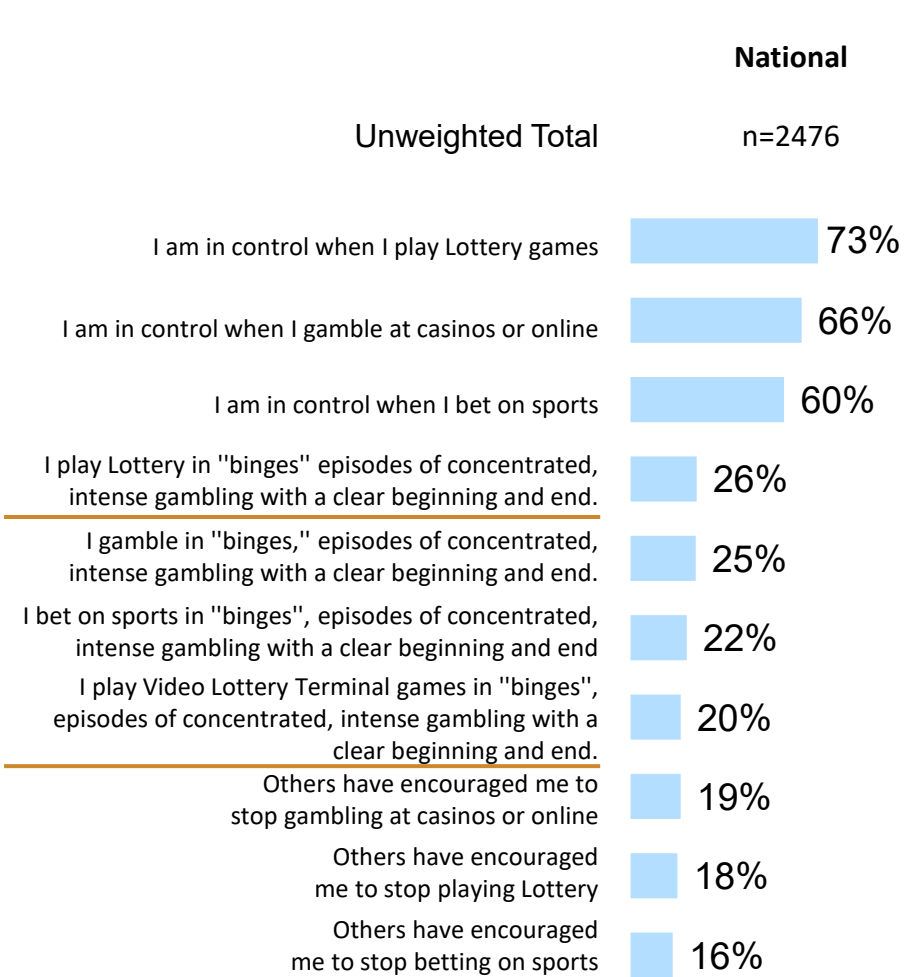


Reasons They Started Gambling – (States)





Agreement With Gambling Statements (States)



State A	State B	State C	State D	State E	State F	State G
773 A	393 B	711 C	762 D	788 E	806 F	264 G
76% G	75% G	76% G	79% G	76% G	78% G	68%
68%	72% E	68%	70%	66%	69%	65%
57%	60%	63% A	59%	59%	60%	54%
28% BDEFG	17%	24% BEG	21%	19%	21%	15%
25% BDEFG	14%	22% B	21% B	19% B	19% B	16%
21% BDEFFG	11%	22% BDEFG	17% BG	17% BG	16% BG	9%
19% BEF	7%	19% BEF	19% BEF	14% B	13% B	16% B
19% B	12%	16%	16%	15%	16% B	16%
18% BEG	8%	16% BEG	15% B	13% B	14% B	10%
17% BFG	9%	17% BFG	15% BG	14% BG	12% G	7%

Base: Plays Anything (PY1=1-13)
GM2. Please rate on a 1 to 5 scale, how much you agree or disagree with each statement.
Capital letter indicates a significant different between groups a 95%
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PGSI Groups (States)

	National n=3193	State A 1014 A	State B 505 B	State C 901 C	State D 1004 D	State E 1010 E	State F 1013 F	State G 351 G
Non-problem gambler (0)	46%	52%	59% ACF	51%	54%	55%	52%	61% ACDF
Low risk gambler (1-2)	18%	17%	18%	17%	18% G	18%	19% G	13%
Moderate risk gambler (3-7)	16%	13%	12%	14%	14%	13%	14%	14%
Problem gambler (8-27)	20%	18% BDEG	11%	18% BDEG	14%	14%	16% B	12%
Moderate PG (8-13)	14%	14% BDEG	7%	12% B	10%	10% B	13% BD	9%
Serious PG (14-27)	6%	5%	4%	6% BDEF	4%	4%	3%	3%



NCPG Statements (States)

		National	State A	State B	State C	State D	State E	State F	State G
	Unweighted Total	n=3193	1014 A	505 B	901 C	1004 D	1010 E	1013 F	351 G
I should be aware of how much money I spend when I gamble	<div></div>	85%	86%	89% CE	85%	88%	85%	88%	93% ACDEF
I should be able to walk away from gambling at any time	<div></div>	84%	85%	89% AC	84%	88% C	89% AC	87% C	93% ACDEF
When I gamble, it's my responsibility to spend only money that I can afford to lose	<div></div>	83%	83%	88% ADE	85%	84%	84%	86%	88% A
I should only gamble when I have money to cover my bills and living expenses first	<div></div>	80%	82%	86% C	81%	83%	85% C	86% AC	88% C
I gamble for entertainment, not to win money	<div></div>	39%	37%	44% ACDEF	38%	35%	38%	36%	48% ACDEF
Gambling is a good way to make money	<div></div>	21%	21% BEFG	12%	20% BEFG	18% BG	16%	15%	12%
If I gamble more often, it will help me to win more than I lose	<div></div>	17%	16% BEFG	10%	15% B	13%	12%	13%	11%
My chances of winning get better after I have lost	<div></div>	16%	15% BFG	8%	13% B	14% BFG	12% B	10%	9%



Truths and Myths 1 (States)

	National	State A	State B	State C	State D	State E	State F	State G
Unweighted Total	n=3193	1014	505	901	1004	1010	1013	351
		A	B	C	D	E	F	G
The result of any lottery purchase is a random outcome, no matter how many tickets you have purchased or how long you play.	81%	82%	85% _G	82%	84%	81%	81%	81%
I don't need to buy my tickets at a lucky store to improve my chances of winning	75%	74%	83% _{ADEFG}	79% _A	77%	77%	79% _A	75%
There is no special method or ability that will guarantee a win	72%	70%	77% _A	72%	74% _A	74%	74% _A	74%
Picking the same numbers each week doesn't improve your odds of winning.	71%	68%	76% _A	71%	71%	71%	75% _{AE}	72%
More people seem to win in the big city because more people live there	49%	47%	50% _E	48%	50% _E	45%	46%	52% _E
The fewer people that play, the better chance I have of winning	40%	38%	37%	36%	42% _C	38%	38%	38%
There are lucky games, and unlucky games	38%	39% _{BDEFG}	27%	35% _{BG}	34% _{BG}	33% _{BG}	33% _{BG}	26%
Some retailers are luckier	37%	37% _{BCDG}	22%	32% _{BG}	33% _{BG}	37% _{BG}	34% _{BG}	26%



Truths and Myths 2 (States)

		National	State A	State B	State C	State D	State E	State F	State G
	Unweighted Total	n=3193	1014	505	901	1004	1010	1013	351
			A	B	C	D	E	F	G
I have a better chance of winning when a scratch ticket is new	<div></div>	29%	32% BCDeFG	18%	26% BG	28% BFG	26% BG	24% BG	15%
Quick Picks improve your odds of winning.	<div></div>	26%	29% BCDEF	16%	23% B	25% BEF	20% B	21%	23% B
The newest scratch ticket is luckier	<div></div>	23%	25% BEFG	12%	22% BG	23% BFG	20% BG	19% BG	12%
If I don't follow my good luck ritual /strategy, I'm sure to lose	<div></div>	22%	21% B	16%	21% B	22% B	19%	20%	21%
Unpopular numbers have better odds of winning.	<div></div>	22%	21% BDG	12%	21% BG	17% B	18% B	18% B	14%
If the odds of winning are 1:4, and I buy 5 tickets, I'm sure to win	<div></div>	22%	23% BCDEG	13%	18% B	16%	18% B	19% BG	14%
Problem gaming is only an issue for people with low incomes	<div></div>	21%	23% BCDEG	12%	19% BFG	18% BF	17% B	15%	13%
There is no minimum age to play the lottery, as long as parents are okay with it	<div></div>	18%	20% BDFG	7%	17% BDG	12% B	18% BDG	16% BDG	9%

Please tell us whether you think each of the following statements is true or false.
Capital letter indicates a significant difference between groups at 95%
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Lottery Perceptions/Responsible Gaming (States)

	National	State A	State B	State C	State D	State E	State F	State G
Unweighted Total	n=2954	1006	504	898	998	997	999	349
		A	B	C	D	E	F	G
The lottery does a good job communicating the minimum age to buy and play the lottery.	<div></div> 53%	50%	50%	53%	54%	50%	58% ABEG	50%
The Lottery provides information about all prizes available to be won, not just the top prize.	<div></div> 52%	52% BG	45%	53% BG	52% BG	48% G	50% G	40%
The Lottery does a good job of promoting responsible gaming helplines and websites if someone needs it.	<div></div> 48%	42%	46% G	51% AG	55% ABEG	48% AG	54% ABEG	39%
Lottery proceeds fund good causes in my state.	<div></div> 48%	60% BCEG	42%	45% G	57% BCEG	43%	59% BCEG	38%
The lottery makes it easy to understand how different lottery games are played	<div></div> 48%	46% BG	36%	50% BG	45% BG	47% BG	50% ABDG	32%
The Lottery makes it easy to find the odds for different Lottery games.	<div></div> 44%	43% BG	35%	45% BG	45% BG	43% BG	44% BG	34%
My state lottery is an organization I trust.	<div></div> 42%	47% BDEG	34%	42% BEG	42% BEG	37%	47% BCDEG	33%
If the odds of winning are 1 in 4 and I buy 5 tickets, I am sure to win.	<div></div> 21%	22% BCDEFG	12%	18% BG	16%	17% BG	18% BG	12%

Base: Total Respondents (plus State level n=)
LPRG1_8LPRNEWG. Please indicate on the scale how much you agree with the following statements where 1= Strongly disagree and 5= Strongly Agree
Capital letter indicates a significant difference between groups at 95%
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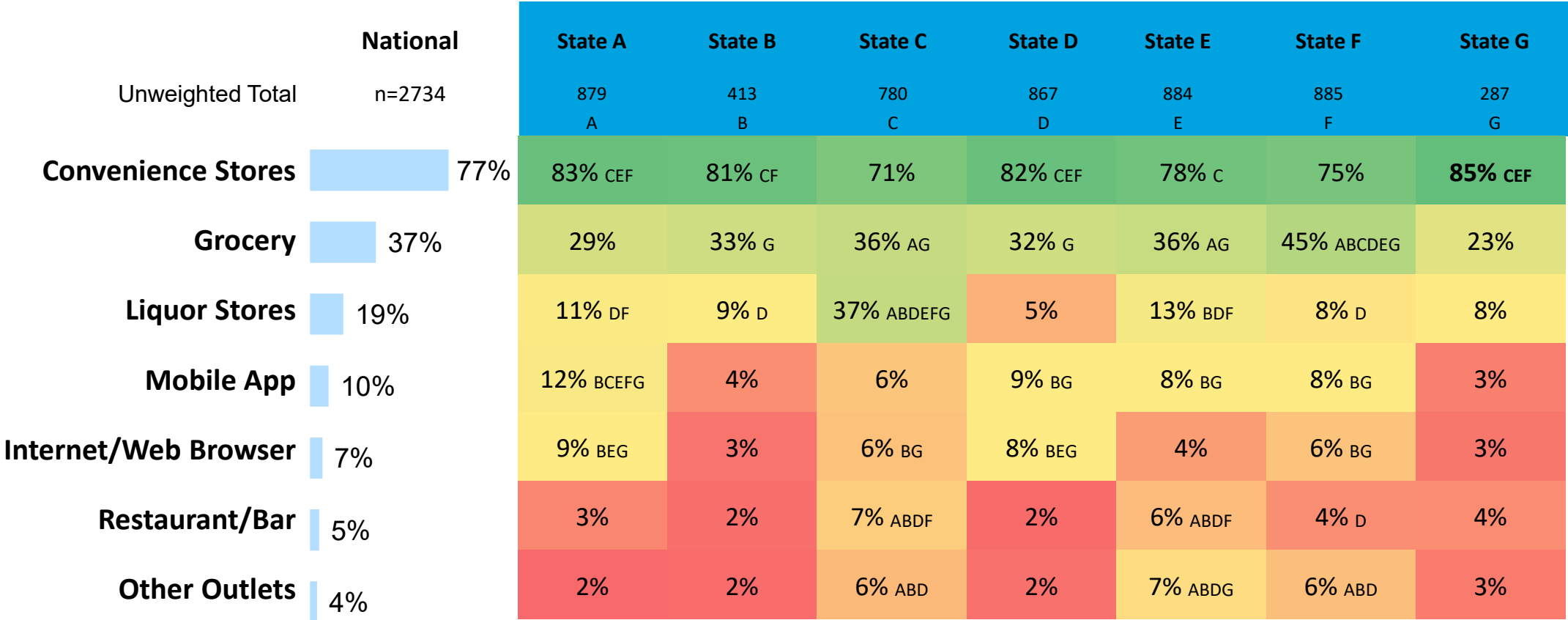


Lottery Games Played (by State)

	National	State A	State B	State C	State D	State E	State F	State G
	n=3193	1014 A	505 B	901 C	1004 D	1010 E	1013 F	351 G
Instant scratch-off games/Scratchers	<div></div> 63%	63%	63%	63%	67%	70% ABCG	71% ABCG	60%
Multi-state lotto-style jackpot games	<div></div> 44%	48%	51% D	52% D	44%	49%	48%	48%
In-state lotto-style jackpot games	<div></div> 28%	28% BCD	21%	22%	23%	30% BCD	30% BCD	26%
Numbers-style game	<div></div> 27%	29% BG	17%	31% BG	27% BG	27% BG	35% ABDEG	13%
Instant win terminal games (e.g., InstaPlay, Fast Play, Print & Play, Fast Cash, Quick Win)	<div></div> 18%	18% BG	12%	16% G	18% BG	17% BG	17% BG	11%
Lottery raffle games	<div></div> 15%	12%	11%	11%	14% C	14% C	17% ABC	12%
Keno/Quick Draw	<div></div> 13%	17% BF	6%	22% ABDF	13% BF	19% BDF	9%	17% BF
iLottery/Online Instant Win Digital games	<div></div> 11%	11% BDEG	4%	9% BG	8% BG	8% BG	12% BCDEG	4%

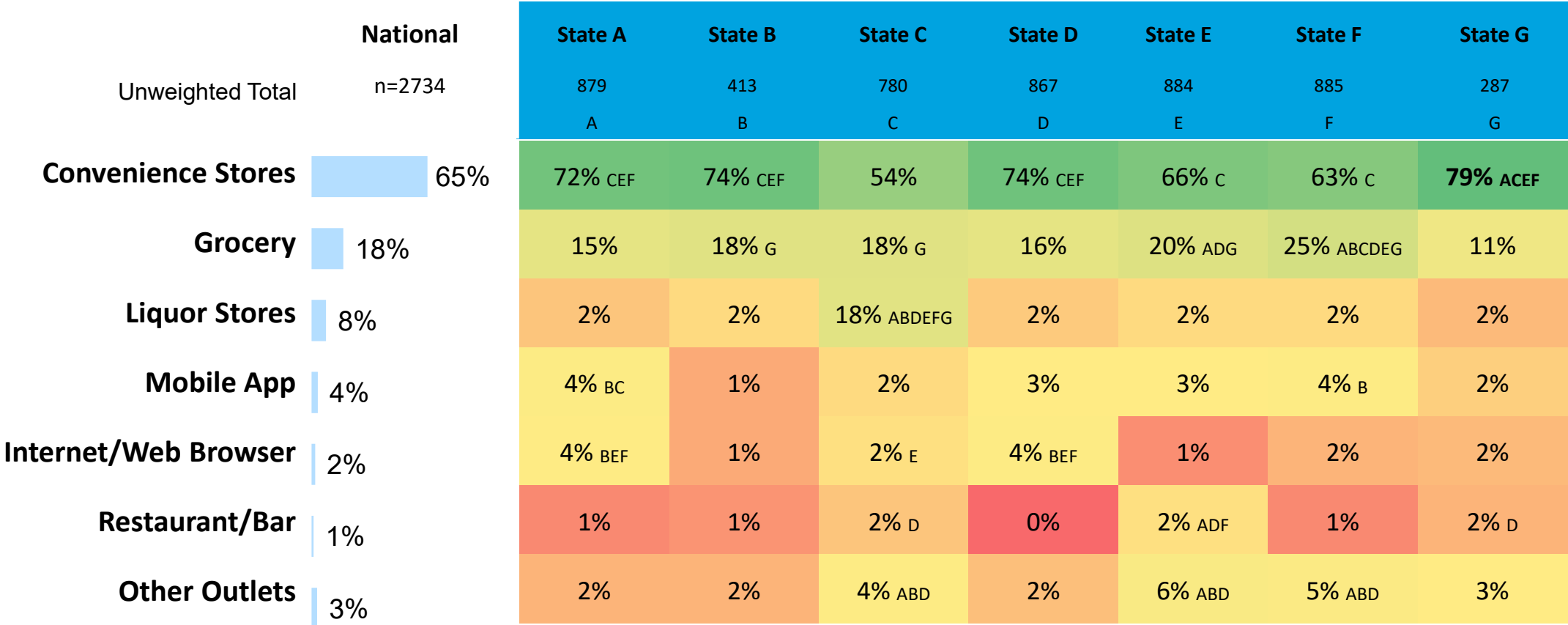


Regular Location for Lottery Purchase by State





Spend Most on Lottery Purchase (States)





Lottery Purchase Method (States)

	National	State A	State B	State C	State D	State E	State F	State G
Unweighted Total	n=2376	768 A	354 B	686 C	753 D	766 E	783 F	237 G
Store clerk	56%	66% CEF	80% ACDEF	42% F	70% CEF	60% CF	37%	90% ABCDEF
Both	28%	23% BDG	13%	29% ABDG	18% G	27% BDG	32% ABDEG	9%
Vending machine	15%	8% G	6% G	27% ABDEG	10% BG	13% ABG	29% ABDEG	1%
Neither - Only online	1%	3% CEF	1%	1%	3% E	1%	1%	<1%

Base: Played Games PY (PY4=any game PY or more often)
PY12: How do you usually purchase your Lottery tickets - from the store clerk, the vending machine or both, at your regular store?
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Life Attitudes (States)
(Top 2 Box % Very High/High)

	National	State A [A]	State B [B]	State C [C]	State D [D]	State E [E]	State F [F]	State G [G]
Physical Health	43%	45% BDF	39%	44% D	37%	41%	39% (44%)	39%
Mental Health	41%	45% D	40%	42%	40%	42%	40% (40%)	39%
Stress Level	36%	35%	39% EG	37%	35%	34%	36% (34%)	32%
Happiness	39%	42%	39%	38%	40%	40%	39% (39%)	44% c
Childhood	63%	68%	63%	64%	65%	64%	64% (62%)	65%



Thank You

Video Lottery Establishment Policy



Establishment Requirements

- Background and Purpose
 - South Dakota Codified Laws and Administrative Rules
 - Clarifications and consistency for multiple video lottery establishments under one roof
- Alcohol License
 - Each establishment must be a bar or lounge
- Clear and Distinct Separation
 - Hallways/atriums
 - Wall height
- Point of Sale



Establishment Requirements Continued

- Bar and Refrigeration/Cooler Requirement
 - Service area to include a counter
- Signs
 - Must be 21
 - No Alcohol Beyond This Point
- Monitoring
 - Cameras, mirrors, line of sight
- Floor Plans



**IN RE:
OFFICIAL POLICY
OF THE SOUTH DAKOTA
LOTTERY**

**RULING 25-3
VIDEO LOTTERY
ESTABLISHMENT POLICY**

BACKGROUND: Per SDCL 42-7A-37.1, a business licensed pursuant to subdivisions 35-4-2(12) and (16) may not be a licensed establishment for video lottery placement unless the business is a bar or lounge. A bar or lounge is an enterprise primarily maintained and operated for the selling, dispensing, and consumption of alcoholic beverages on the premises and may also include the sale and service of food.

For a video lottery establishment to be licensed, establishments must meet requirements set forth by state law, administrative rules, and declaratory rulings adopted by the South Dakota Lottery Commission. Failure to meet these requirements could lead to denial of a license application, assessed penalties, or revocation of an existing license.

The policy below is provided to clarify the licensing criteria for the approval and renewal of video lottery establishment licenses.

Policy:

Mandated requirements include the following:

1. **Alcohol License:** Each licensed video lottery establishment must obtain a sales tax license and an on-sale alcoholic beverage license, specific to the establishment that is licensed or seeking licensure from the South Dakota Lottery. Alcohol must be dispensed and consumed within the licensed premises.

A business may not be licensed as a video lottery establishment unless it is a bar or lounge licensed to sell alcoholic beverages for on-premises consumption including:

- on-off sale wine and cider (SDCL 35-4-2(12));
- on-sale liquor (SDCL 35-4-2(4), (6), and (13)); and
- on-off sale malt beverage and South Dakota farm wine (SDCL 35-4-2(16)).

Video lottery machines are prohibited from being placed in facilities with alcoholic beverage licenses issued pursuant to SDCL 35-4-14.1, commonly referred to as municipal event center or recreation facility alcohol licenses. SDCL 42-7A-44.2. An on-sale full-service restaurant liquor license (SDCL 35-4-111) also does not meet the requirements because this license type is intended for businesses that derive income primarily from the sale of food and nonalcoholic beverages and is not a bar or lounge.

SDCL 42-7A-37.1:

"A business licensed pursuant to subdivisions 35-4-2(12) and (16) may not be a licensed establishment for video lottery placement pursuant to subdivision 42-7A-1(6) unless it is a bar or lounge. For the purposes of this section, a bar or lounge is an enterprise primarily maintained and operated for the selling,

dispensing, and consumption of alcoholic beverages on the premises and may also include the sale and service of food.”

2. **Clear and Distinct Separation of Video Lottery Establishments (Walls & Atriums):** If there are multiple video lottery establishments in one location, a clear and distinct separation of establishments is required.

SDCL 42-7A-37.1:

“There may be interior access between a bar or lounge and a connected enterprise. However, there shall be a floor to ceiling opaque wall separation between the two enterprises.”

Declaratory Ruling by the South Dakota Lottery Commission 90-6:

“In order for a building or facility to qualify as ‘separate and distinct,’ each building or facility licensed as an establishment must have its own separate exits and entrances. Two (2) or more buildings or facilities can be created from one (1) building by use of an area separation wall. If two buildings are adjacent and share a common or party wall, there can be no inner public access between the two. The only way the public has access to the other building is by leaving the confines of that building or facility. This does not prohibit access to separate buildings or facilities through a common area or atrium, the premises of which is not a licensed establishment and contains no video lottery machines.”

In order to comply with law, South Dakota Lottery requires atriums or hallways between establishments, and any necessary separation walls to be a minimum height of 7 feet to create separate and distinct establishments.

3. **Point of Sale:** Each establishment is required to have a Point of Sale (POS) system to be in place. A POS system can be a full till, cash box, or an electronic device. Whatever it is, it will be the point of actual sale for that establishment’s alcohol.

ARSD 48:02:11:02(3):

“Separate and distinct physical facilities are maintained and utilized for the sale and consumption of alcoholic beverages for each establishment license approved by the lottery.”

Declaratory Ruling by the South Dakota Lottery Commission 90-6:

“The alcoholic beverage license for each building or facility must contain a separate description for each establishment premise; each establishment must be identified under a separate business name and address;” and sales tax remittances must comply with state law.

4. **Bar and Refrigerator/Cooler Requirement:** Each establishment must be able to provide alcohol from that establishment's distinct address. It is required that each establishment therefore have a designated service area that includes a point of sale and refrigeration for alcoholic beverages at the address.

South Dakota Lottery requires each video lottery establishment to have a service area, which is defined as an area having installed a service counter within a video lottery establishment from which alcoholic beverages are regularly served to customers by a person who is tending to customers or drawing or mixing alcoholic beverages. The area is required to include a POS and alcohol to be sold, dispensed, and consumed. The refrigerator/cooler within the designated area must be a minimum 6 cubic feet or larger. The establishment may only dispense the type of alcohol for which they are licensed.

SDCL 42-7A-37.1:

"A business licensed pursuant to subdivisions 35-4-2(12) and (16) may not be a licensed establishment for video lottery placement pursuant to subdivision 42-7A-1(6) unless it is a bar or lounge. For the purposes of this section, a bar or lounge is an enterprise primarily maintained and operated for the selling, dispensing, and consumption of alcoholic beverages on the premises and may also include the sale and service of food."

ARSD 48:02:11:01(2):

"All video lottery machines in licensed establishments must be physically located . . . in an area where alcoholic beverages are regularly dispensed and consumed in the ordinary and usual course of business."

5. **Sign Requirements:** Signage needs to be in place restricting the area to persons aged 21 and older.

SDCL 42-7A-44:

"The bar or lounge with an on-sale alcohol license pursuant to subdivision 35-4-2(12) or (16) shall be restricted to persons twenty-one years of age or older. The entrance to the area where video lottery machines are located shall display a sign that the premises are restricted to persons twenty-one years or older."

Signs that read, "No Alcohol Beyond This Point," or substantially similar language, must be placed at the exits of each video lottery establishment. ARSD 48:02:05:01(2). Alcohol cannot be transported between establishments by customers or employees. It is important to note that this includes employees serving alcohol to customers. SDCL 35-1-5.6 and 35-4-75.

6. **Monitoring:** Video lottery establishment licensees are required to adequately monitor video lottery machines. Adequate monitoring may include line of sight to the video lottery area and mirrors or cameras over the video lottery area.

SDCL 42-7A-37.1:

"All video lottery machines shall be adequately monitored during business hours. Adequate monitoring shall be accomplished by the personal presence of an employee or by an employee using video cameras or mirrors and periodic inspections of the bar or lounge."

ARSD 48:02:11:01(3) & (4):

"All video lottery machines in licensed establishments must be physically located . . . [i]n an area that ensures public access to the machines is restricted to persons legally entitled by age to be on the premises; and [i]n an area which is at all times monitored by the owner, manager, or employee of the licensed establishment to prevent access or play of video lottery machines by persons under the age of twenty-one."

Summary

This policy outlines some of the requirements found in statute, administrative law, and declaratory rulings adopted by the South Dakota Lottery Commission to operate a video lottery establishment and to obtain or maintain licensure thereof. As part of the video lottery application process, floor plans for new construction or any proposed alteration or subdivision of an existing building must be submitted to the Lottery for review prior to the commencement of any such construction. The Lottery will review the plans to ensure compliance with video lottery rules and regulations. Plans approved by the Lottery do not supersede review and approval by the unit of local government where the establishment is located/proposed. Once floor plans have been approved, construction needs to be started within one year. If construction has not commenced within the designated time frame, the applicant must resubmit floor plans for approval. Any modifications to approved floor plans must be submitted to the Lottery for review and approval.

Dated this 18th day of June, 2025.

BY THE SOUTH DAKOTA LOTTERY COMMISSION:

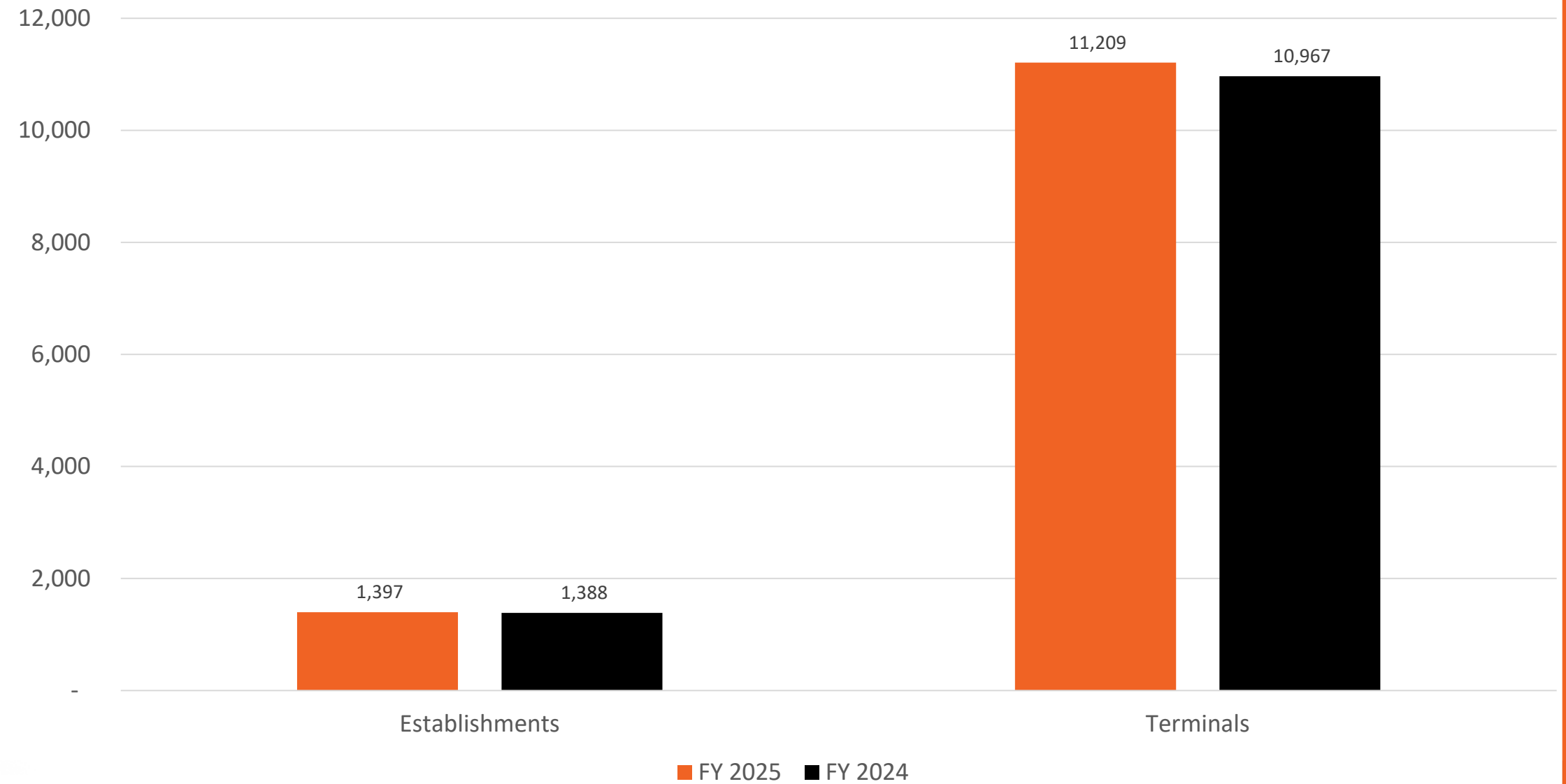
Steven G Harding, Chair

Video Lottery Report

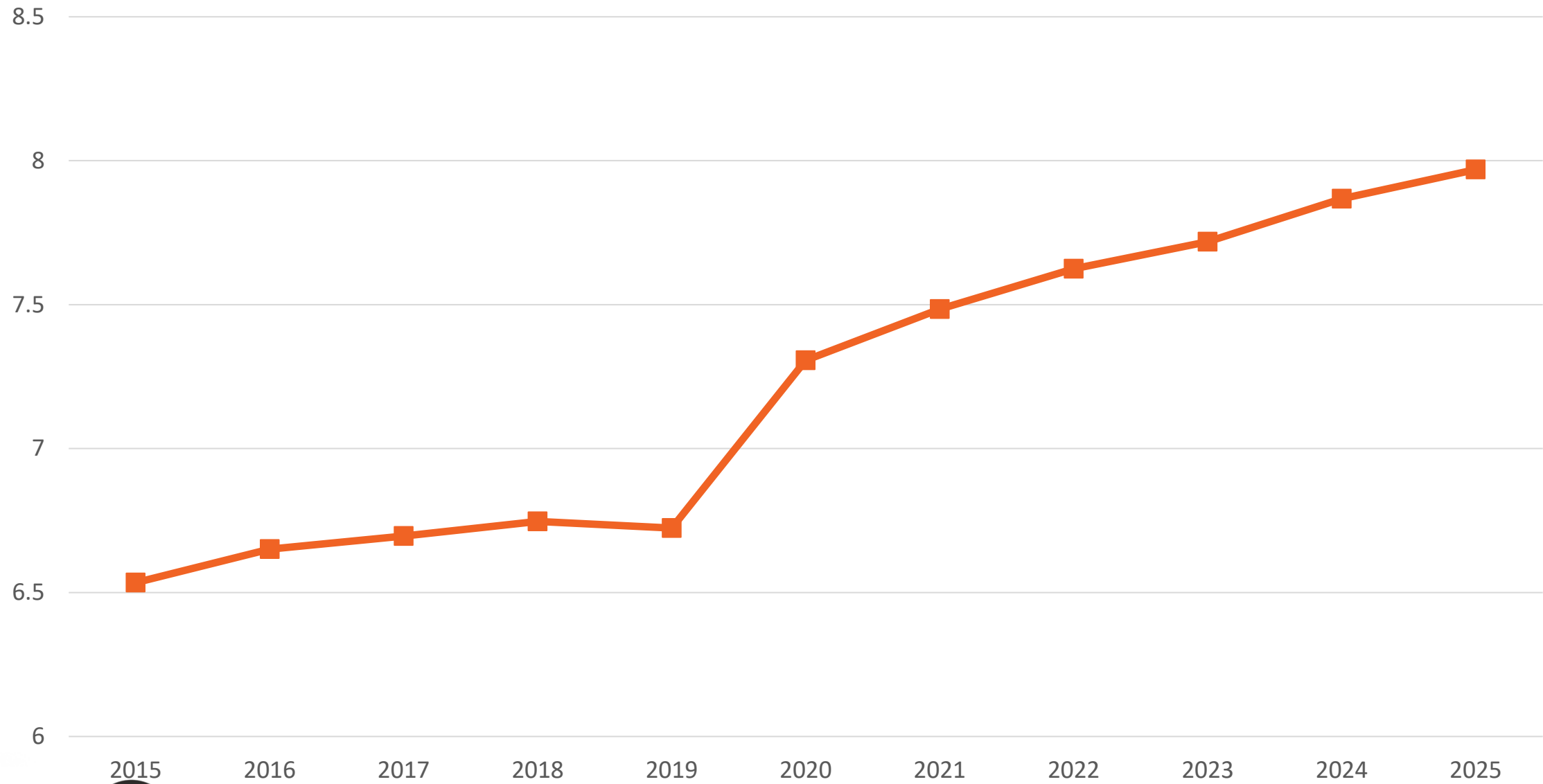


A DIVISION OF THE SOUTH DAKOTA DEPARTMENT OF REVENUE

Number of Terminals and Establishments as of May 31, 2025

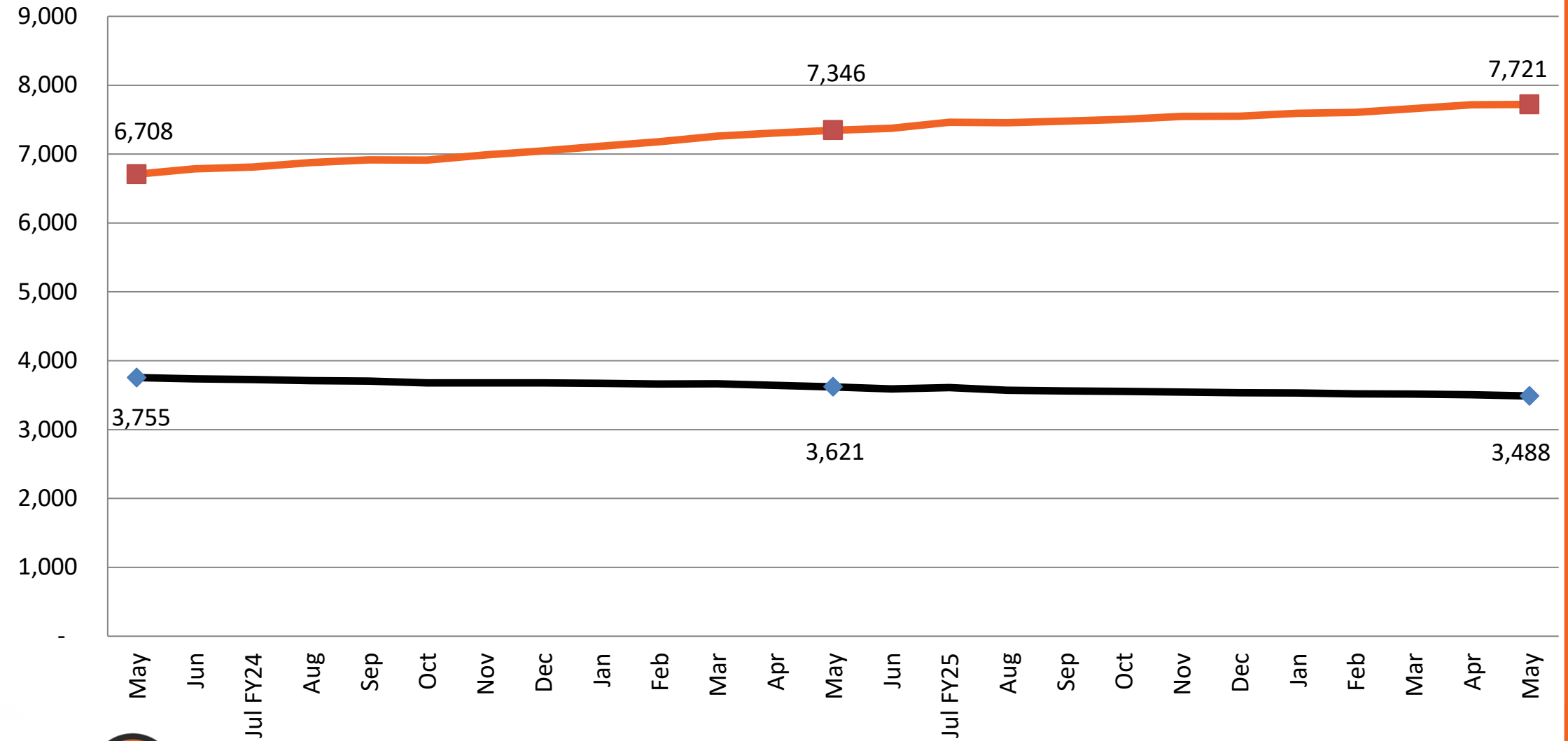


Average Terminals per Establishment

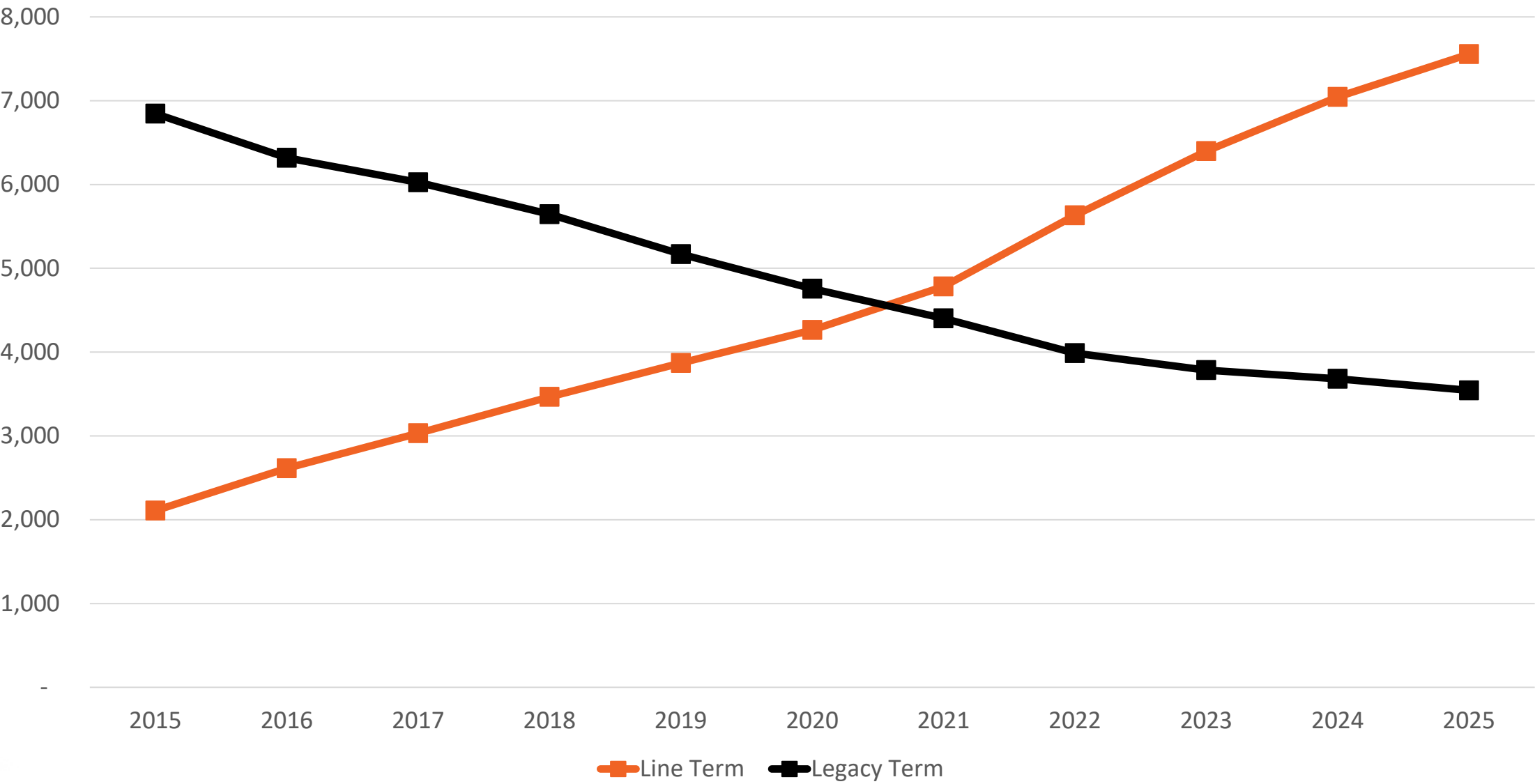


Terminal Counts - Legacy vs. Line

Legacy Machines Line Machines

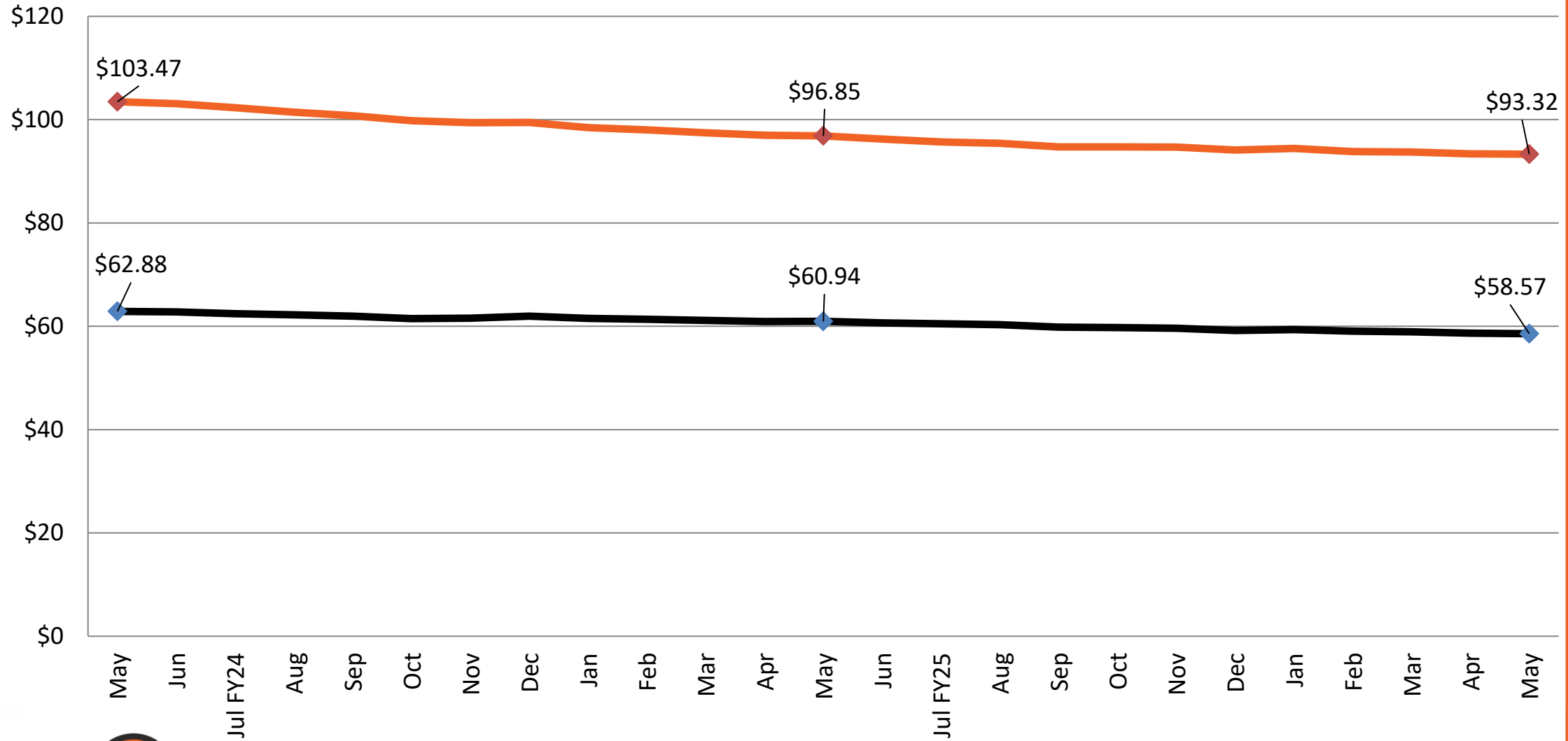


Terminal Counts - Legacy vs. Line

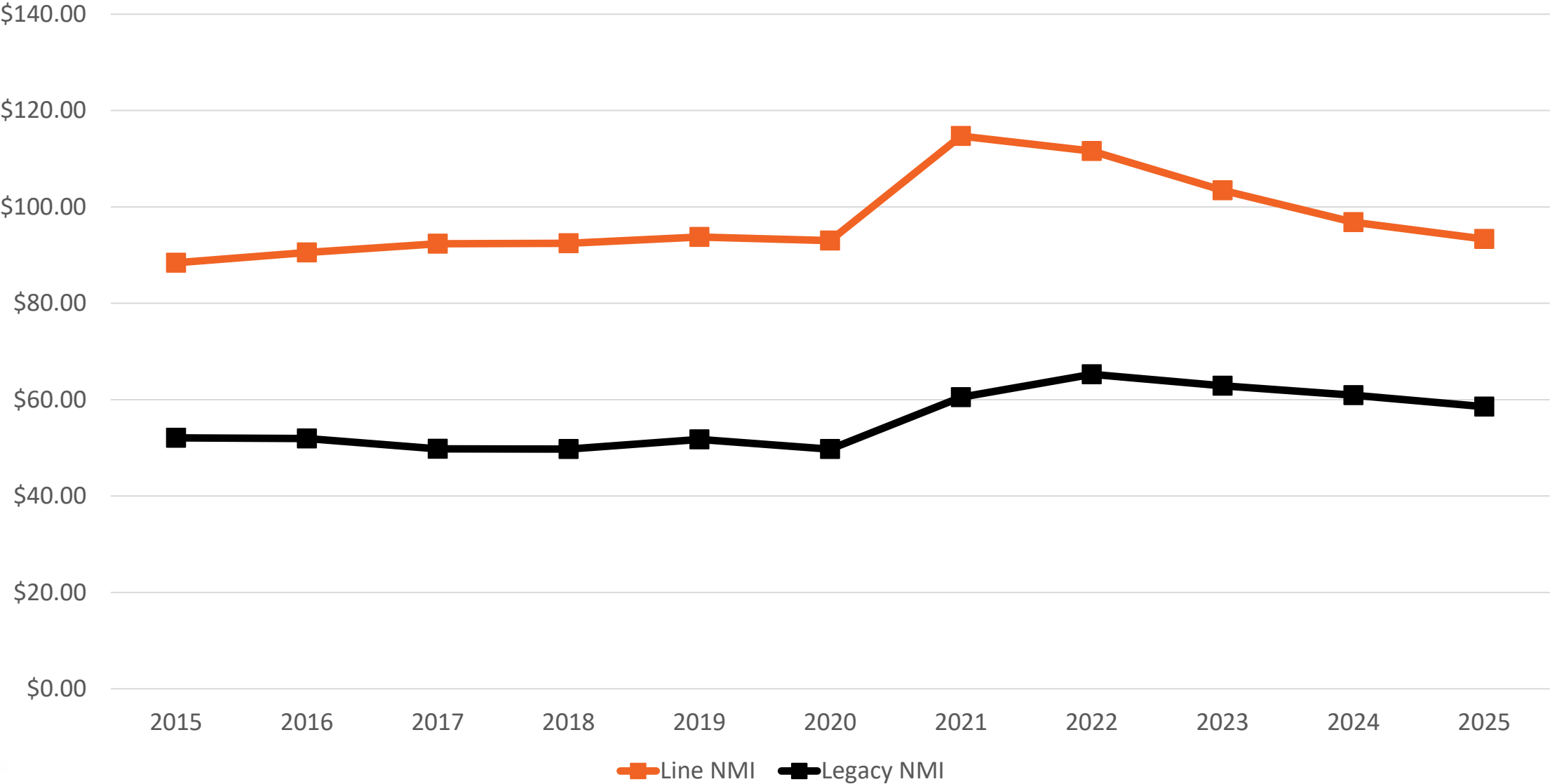


NMI/Terminal/Day - Legacy vs. Line

Legacy NMI per Machine per Day Line NMI per Machine per Day

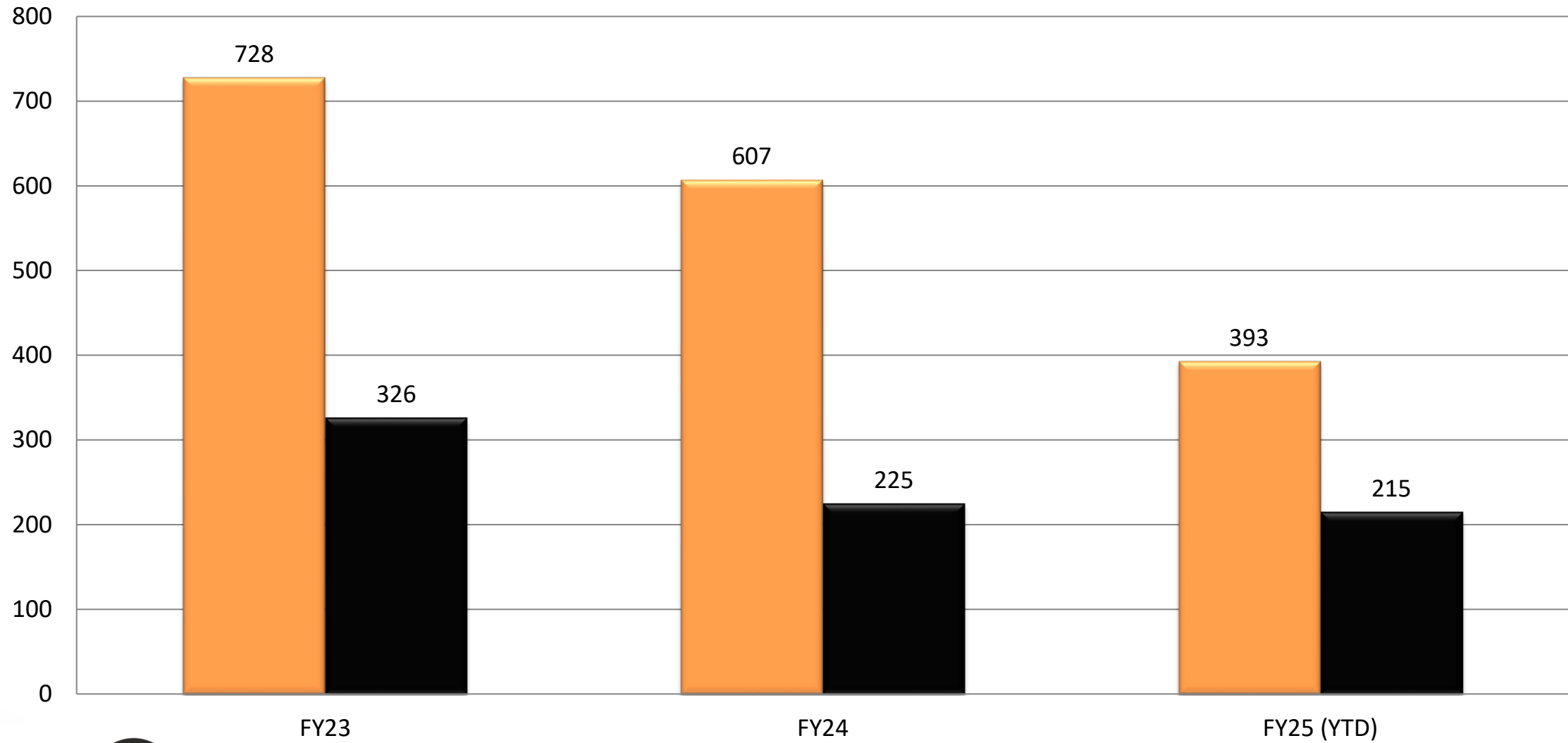


NMI/Terminal/Day - Legacy vs. Line



New & Destroyed Terminals

■ New ■ Destroyed



Process for Terminal Destruction

- Operators notify DPS Inspectors;
- DPS Inspectors meet Operators where the machines are:
 - Verify and Remove serial number plate and permit on the machines,
 - Verify all references to SD Lottery have been defaced or painted over,
 - Destroy the E-Prom;
- DPS observes destruction of machine;
- DPS completes paperwork and provides the paperwork, serial number plate, and permit to Lottery;
- Record Retention in File Director;
- Internal system is updated to indicate the machine is destroyed



Disable/Enable Terminals

- Addressing issue of after hours play
 - Law – only gameplay during alcohol sales
 - Auto disable at 2:00am and enable at 7:00am
 - Machines will not disable while in bonus round
- Issues to consider and test
 - Time Zones;
 - VLCs versus SAS machines
- Testing
 - In-house lab
 - Beta Group

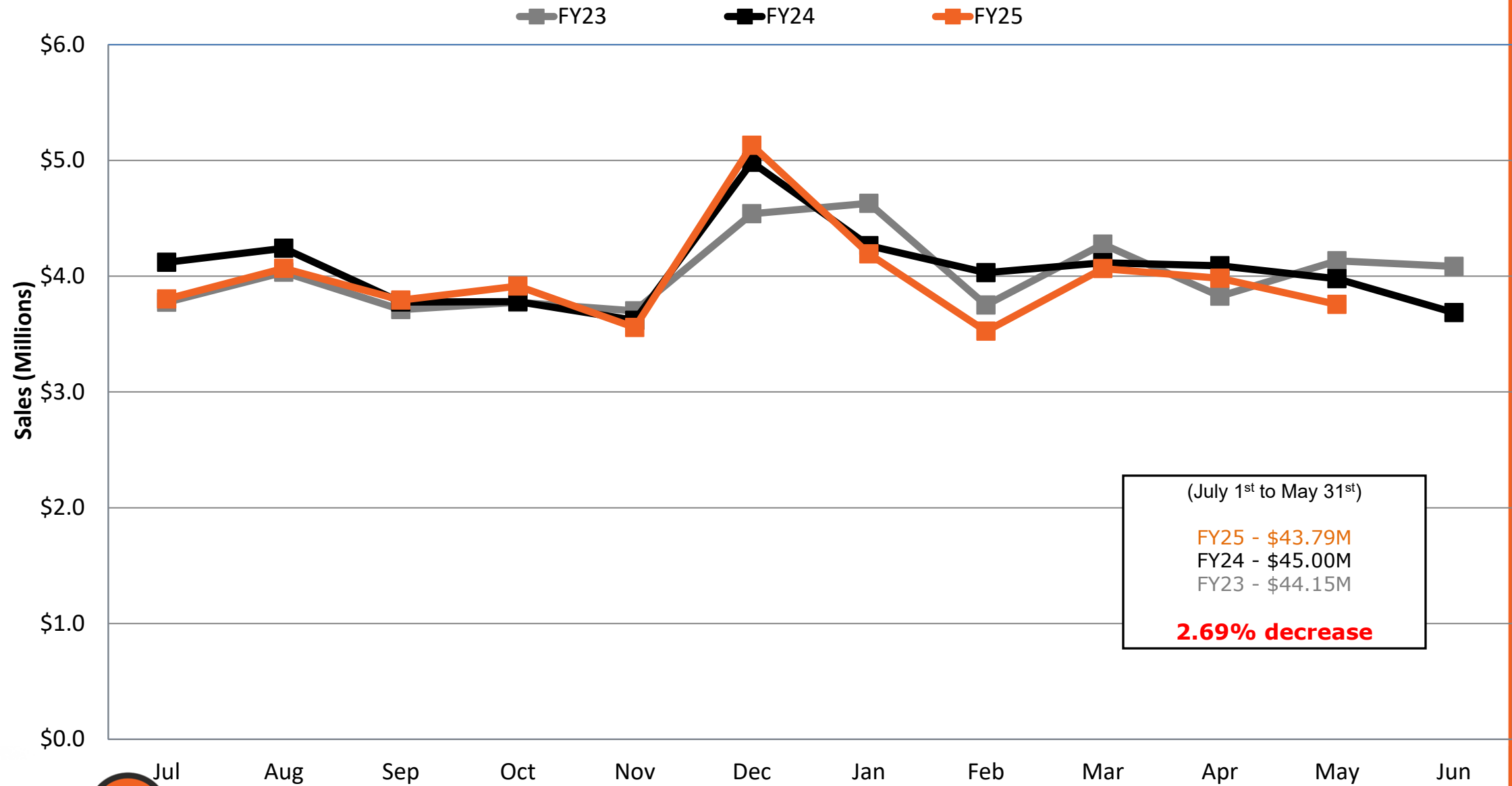


Sales Report



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Instant Sales

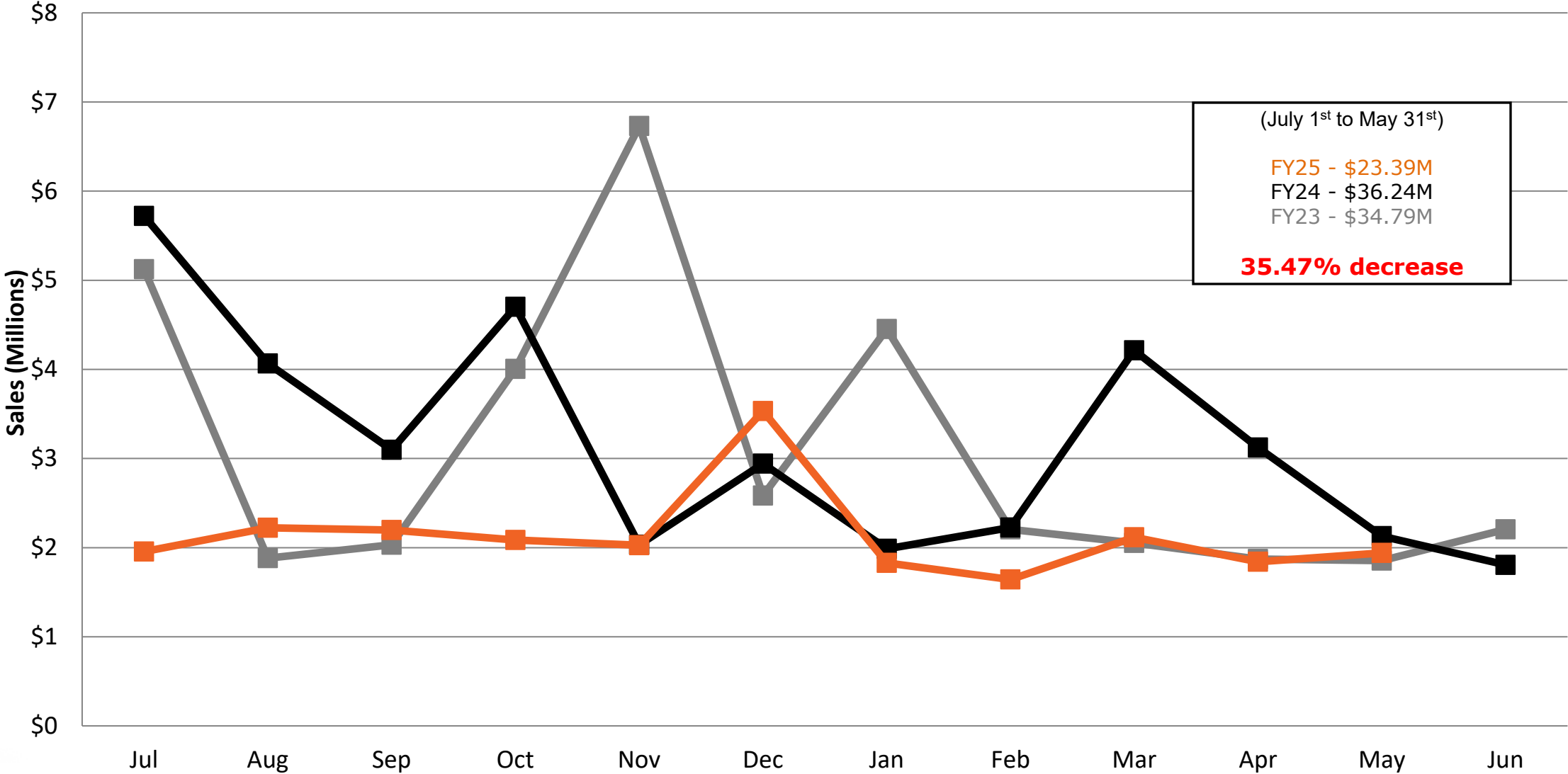


Lotto Sales

FY23

FY24

FY25



\$1

\$1,000

GOLD RUSH

WINNING NUMBER

X

YOUR NUMBERS

PRIZE

PRIZE

PRIZE

PRIZE

Match any of YOUR NUMBERS to the WINNING NUMBER, win PRIZE shown for that number.

Reveal a "8" symbol, win DOUBLE the PRIZE shown for that symbol.

Reveal a "🎰" symbol, win 5 TIMES the PRIZE shown for that symbol. Match the \$20 BONUS number to the WINNING NUMBER, win \$20 instantly!

\$20 BONUS

WIN UP TO \$1,000!

000 ■

\$2

\$5,000

GOLD RUSH

WINNING NUMBERS

X

X

YOUR NUMBERS

PRIZE

PRIZE

PRIZE

PRIZE

PRIZE

PRIZE

PRIZE

Match any of YOUR NUMBERS to either WINNING NUMBER, win PRIZE shown for that number. Reveal a "8" symbol, win 5 TIMES the PRIZE shown for that symbol. Reveal a "🎰" symbol, win 10 TIMES the PRIZE shown for that symbol. Match the \$50 BONUS number to either WINNING NUMBER, win \$50 instantly!

\$50 BONUS

WIN UP TO \$5,000!

000 ■

\$5

\$25,000

GOLD RUSH

Match any of YOUR NUMBERS to any of the WINNING NUMBERS, win PRIZE shown for that number. Reveal a "8" symbol, win 5 TIMES the PRIZE shown for that symbol. Reveal a "🎰" symbol, win 10 TIMES the PRIZE shown for that symbol. Reveal a "🎰" symbol, win 20 TIMES the PRIZE shown for that symbol. Match the \$50 or \$100 BONUS number to any WINNING NUMBER, win \$50 or \$100 instantly!

\$50 BONUS

\$100 BONUS

WINNING NUMBERS

X

X

X

X

YOUR NUMBERS

PRIZE

PRIZE

PRIZE

PRIZE

PRIZE

PRIZE

PRIZE

PRIZE

PRIZE

WIN UP TO \$25,000!

000 ■

\$10

\$70,000

GOLD RUSH

SEE BACK FOR PLAY INSTRUCTIONS.

WINNING NUMBERS

X

X

X

X

X

YOUR NUMBERS

PRIZE

PRIZE

PRIZE

PRIZE

PRIZE

PRIZE

PRIZE

PRIZE

PRIZE

Match any of YOUR NUMBERS to any of the WINNING NUMBERS, win PRIZE shown for that number. Reveal a "8" symbol, win 5 TIMES the PRIZE shown for that symbol. Reveal a "🎰" symbol, win 10 TIMES the PRIZE shown for that symbol. Match the \$50 or \$100 BONUS number to any WINNING NUMBER, win \$50 or \$100 instantly!

\$50 BONUS

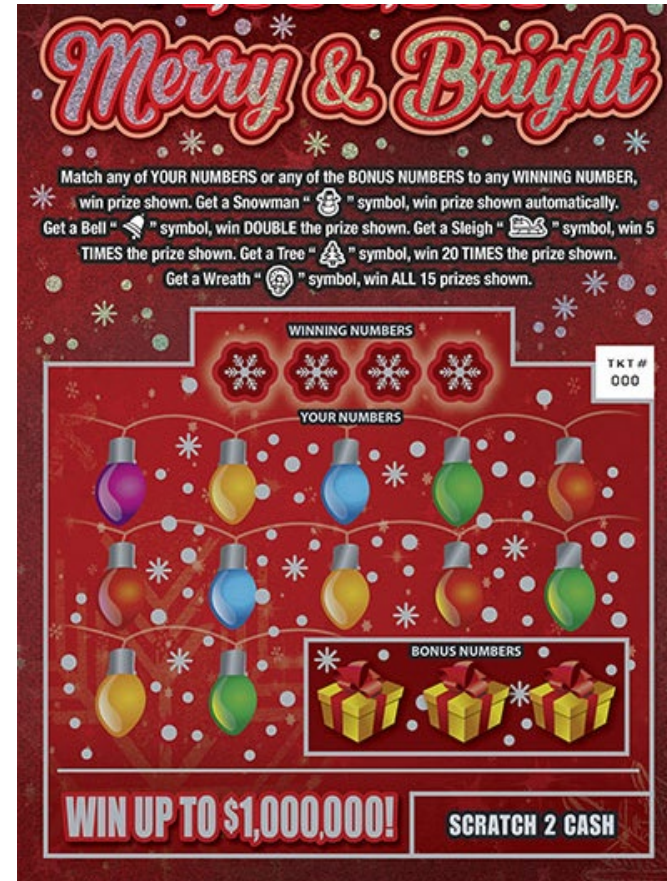
\$100 BONUS

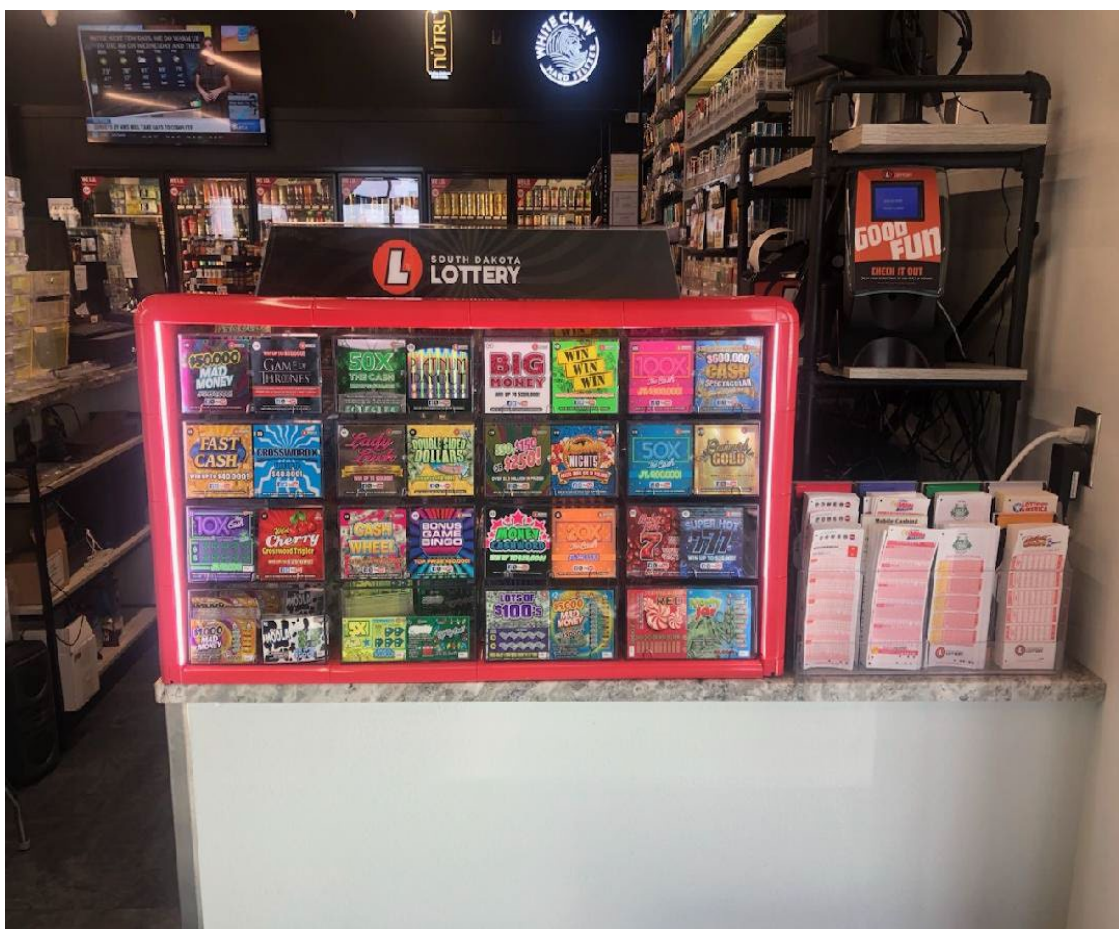
\$500 BONUS

WIN UP TO \$70,000!

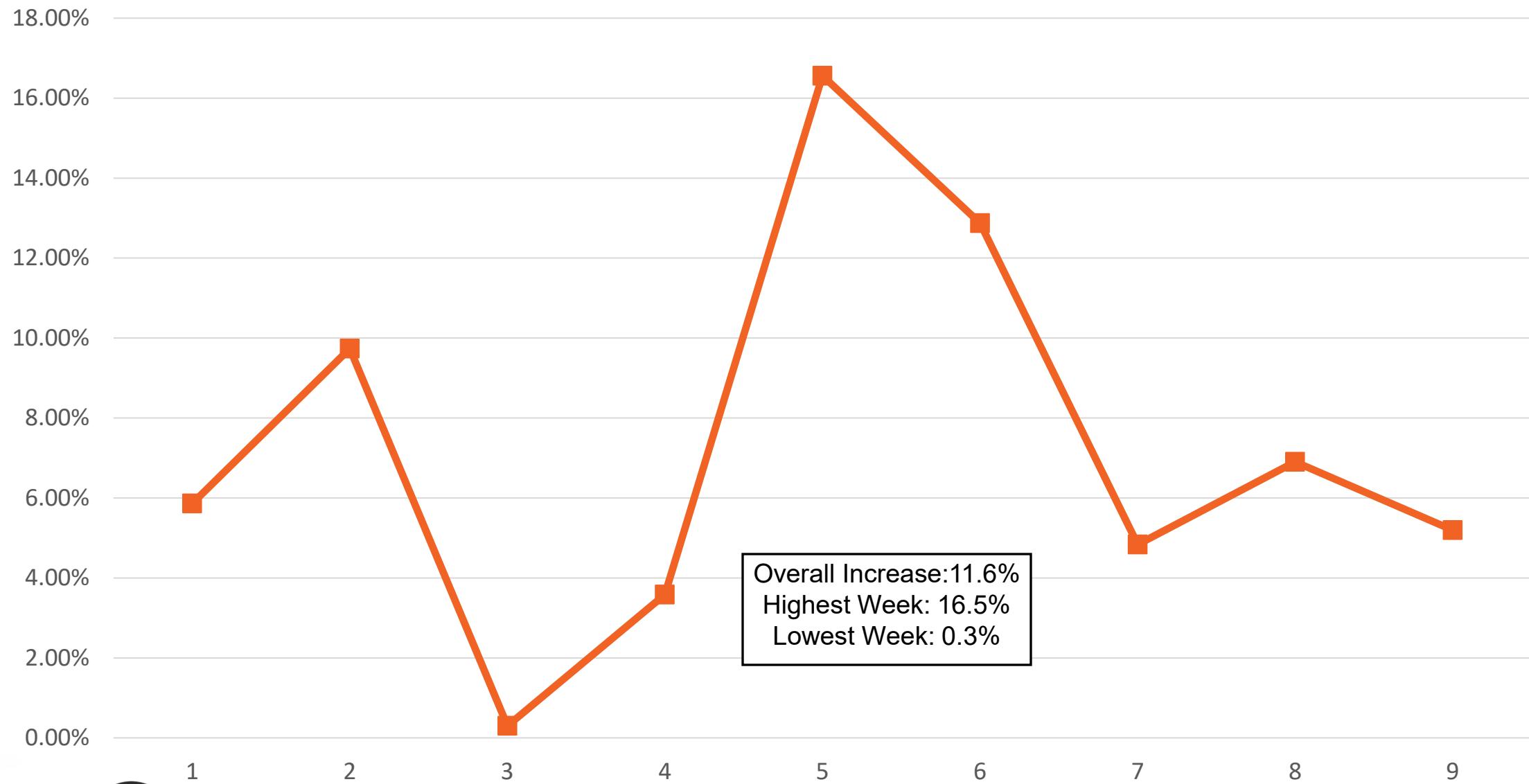
000 ■





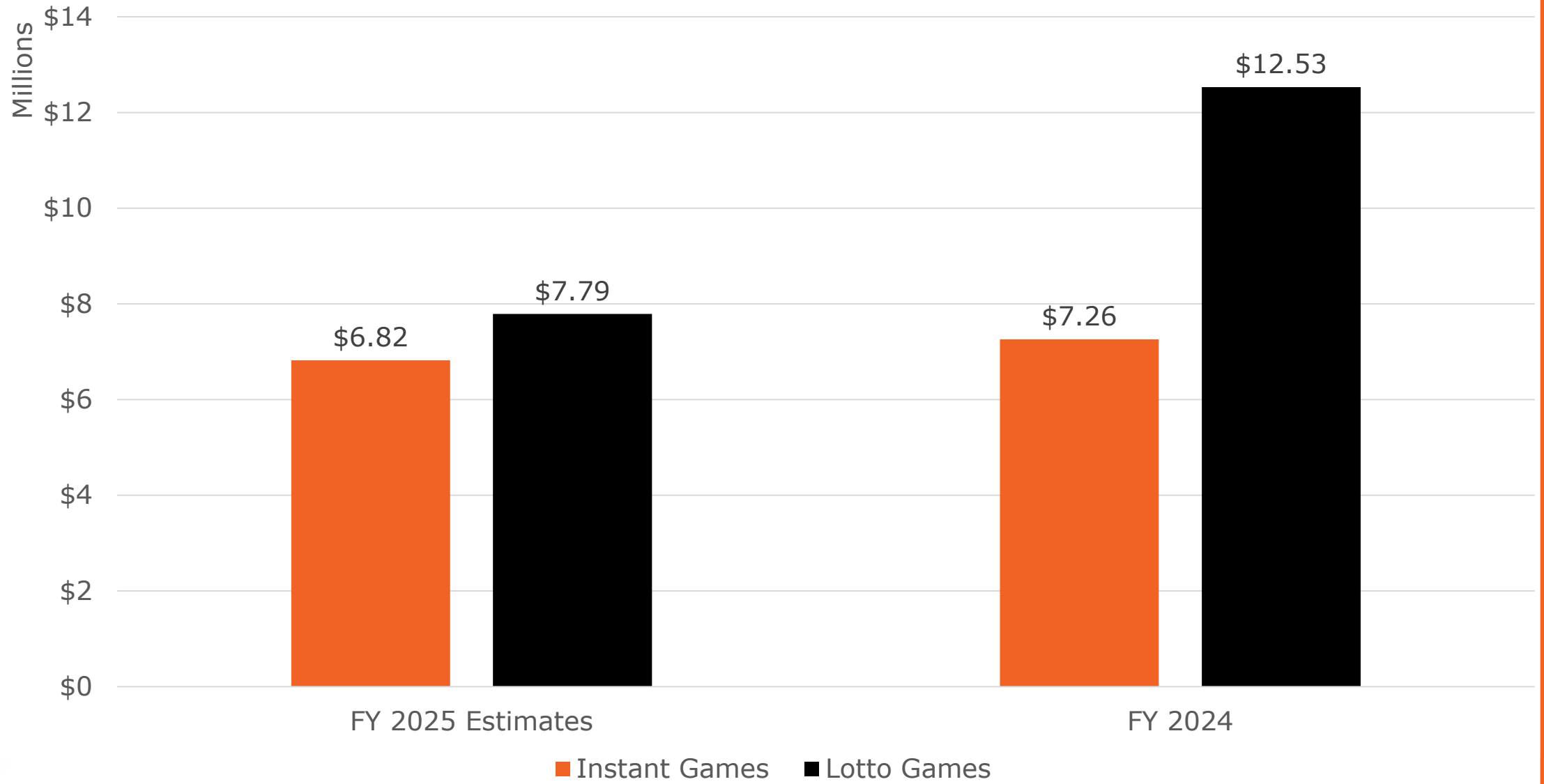


Halo % Increase by Week

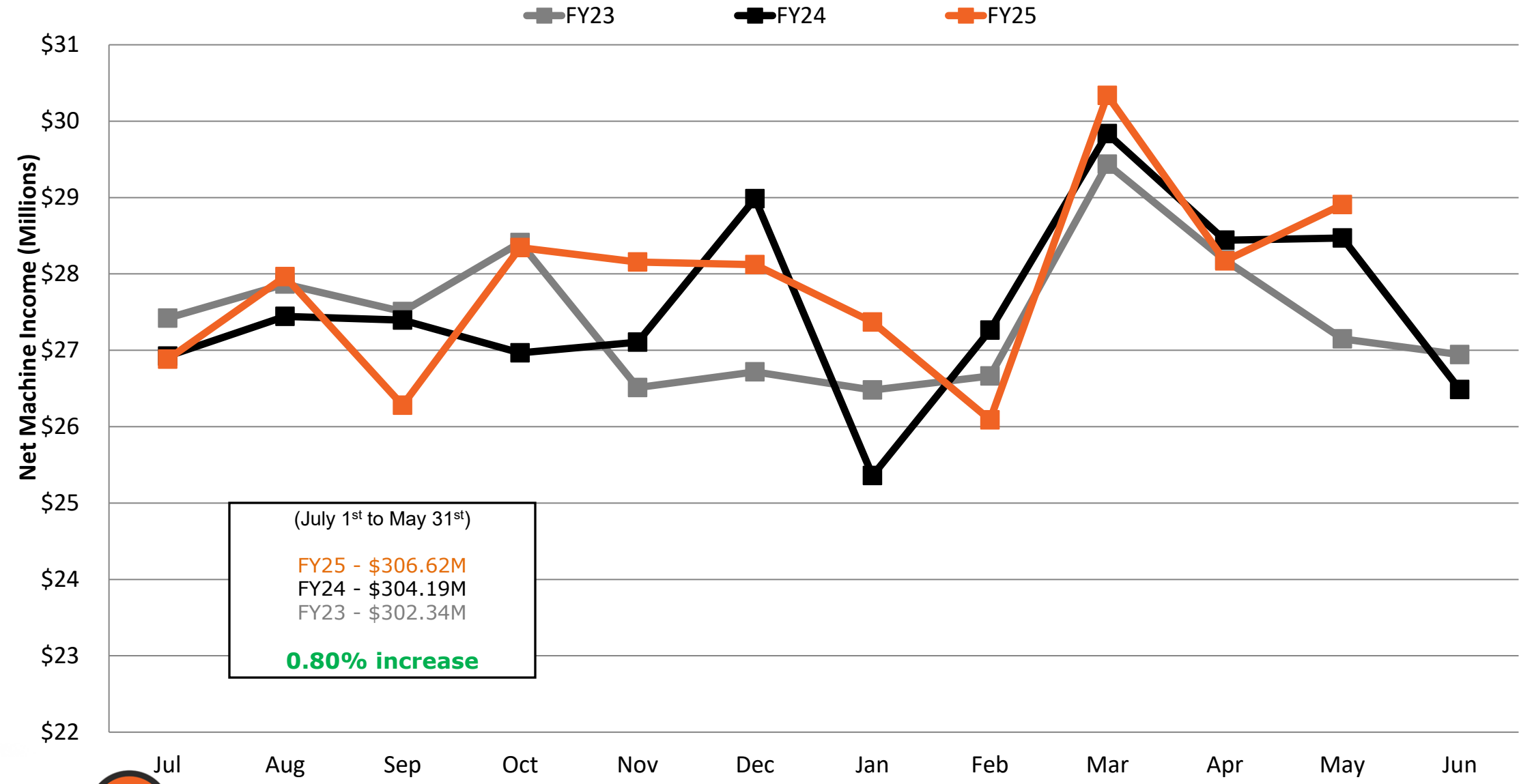




Instant and Online FY25 Revenue Projections as of May 31, 2025



Video Lottery NMI

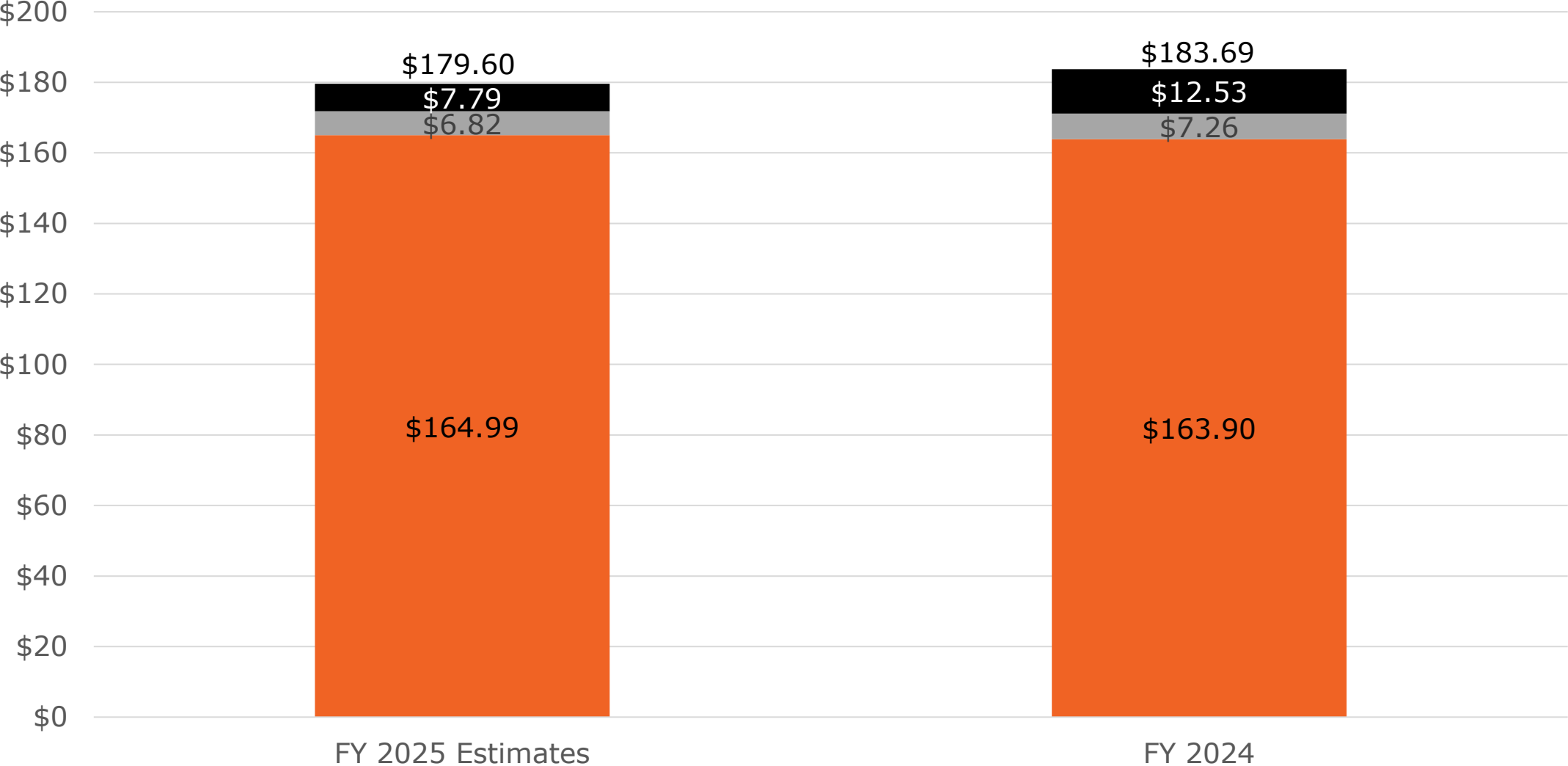


Video Lottery FY25 State Share Revenue Projection as of May 31, 2025



Total FY25 Revenue Projections as of May 31, 2025

Millions



Video Lottery Instant Games Lotto Games



Sales Statistics



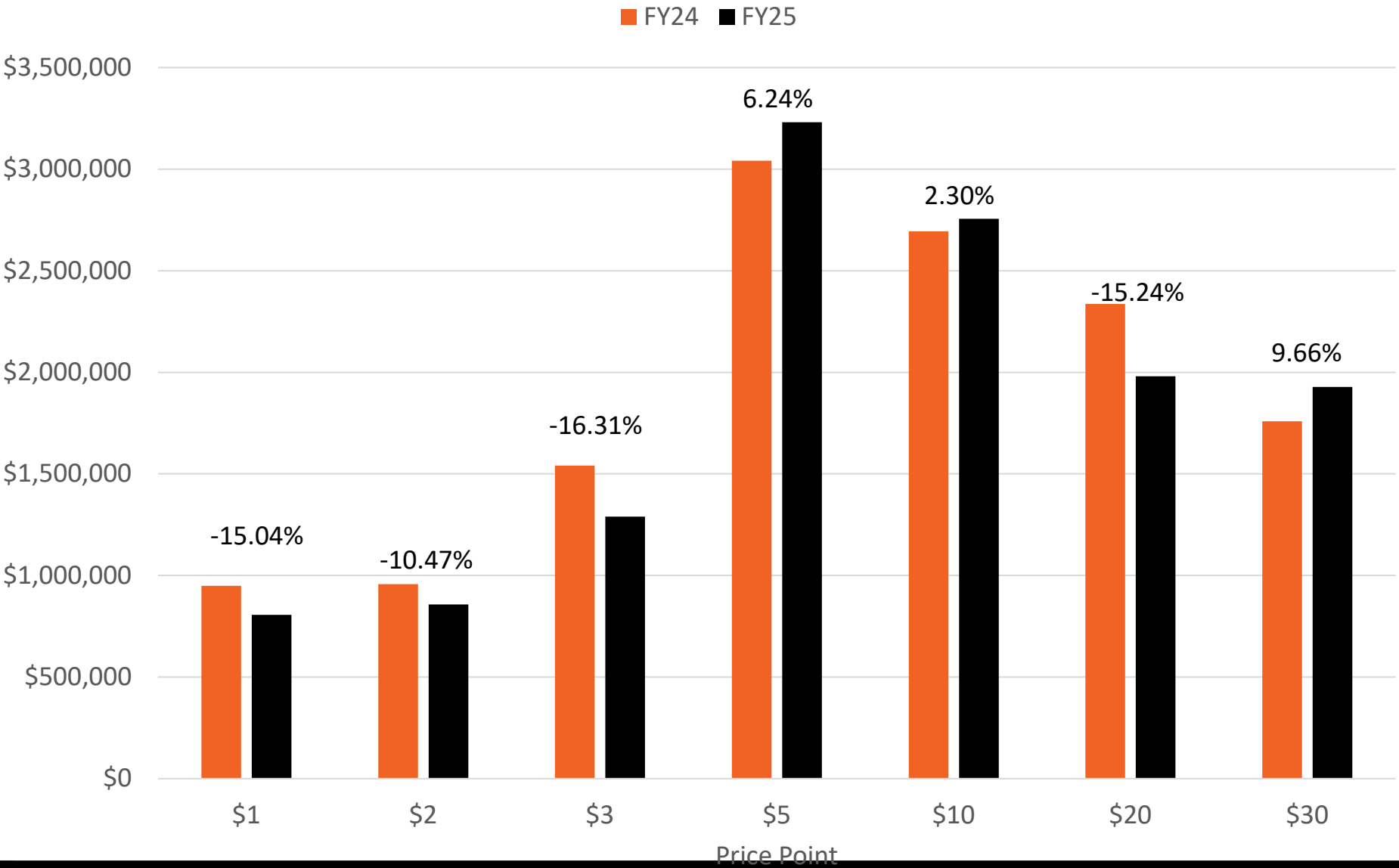
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Quarter 4 Review

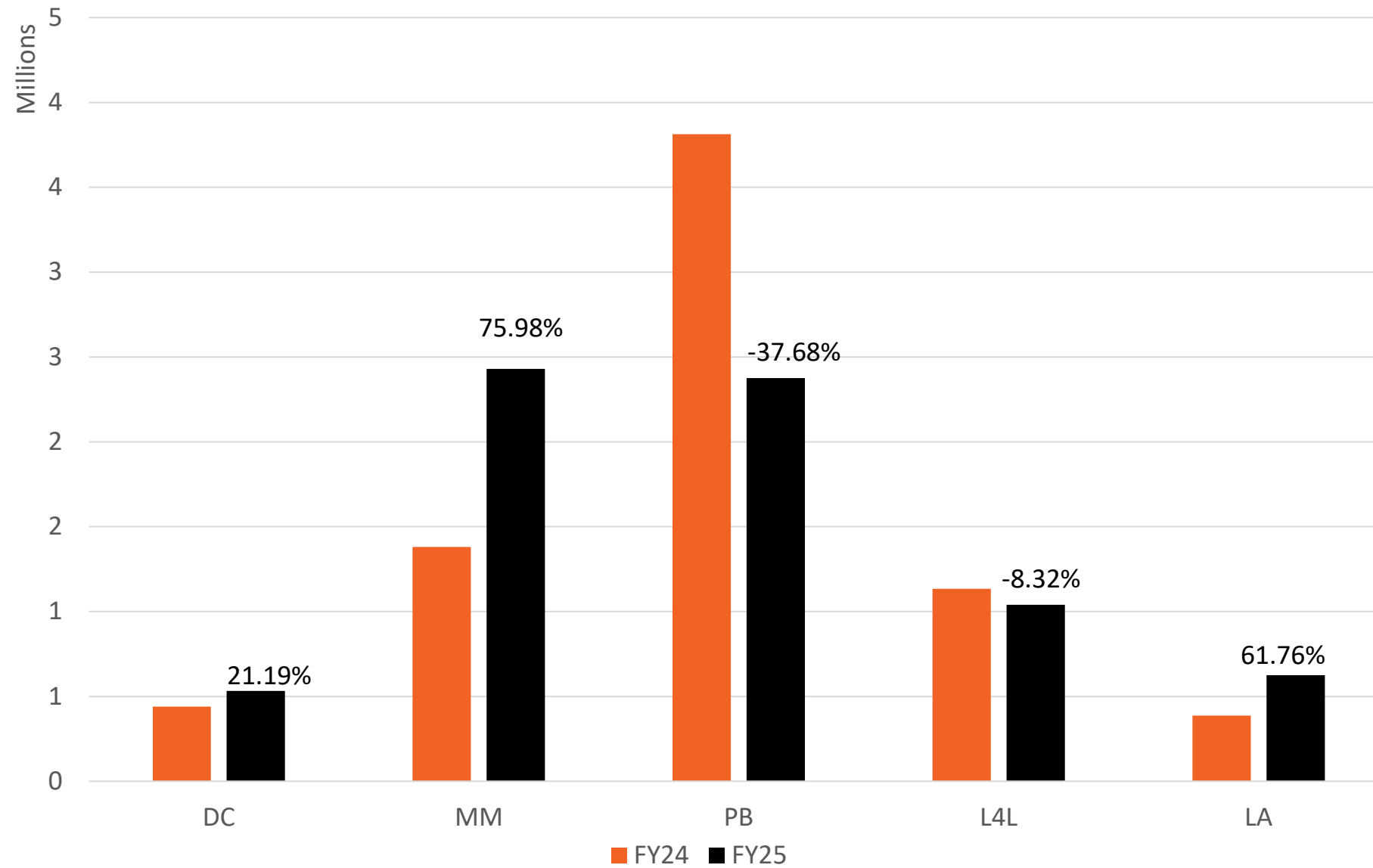


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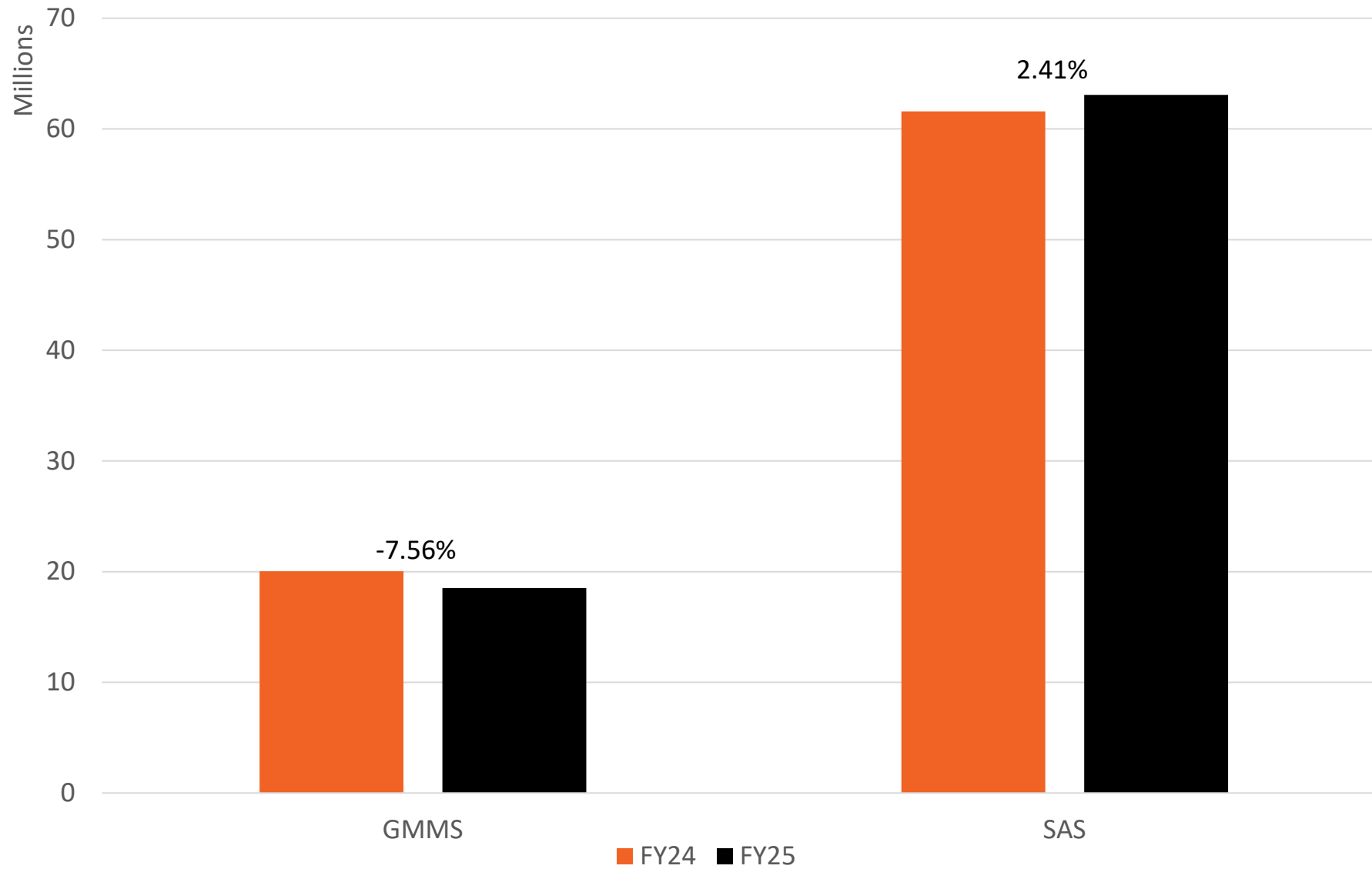
Quarterly Instant Sales by Price Point



Quarterly Sales by Lotto Game



Quarterly Video NMI

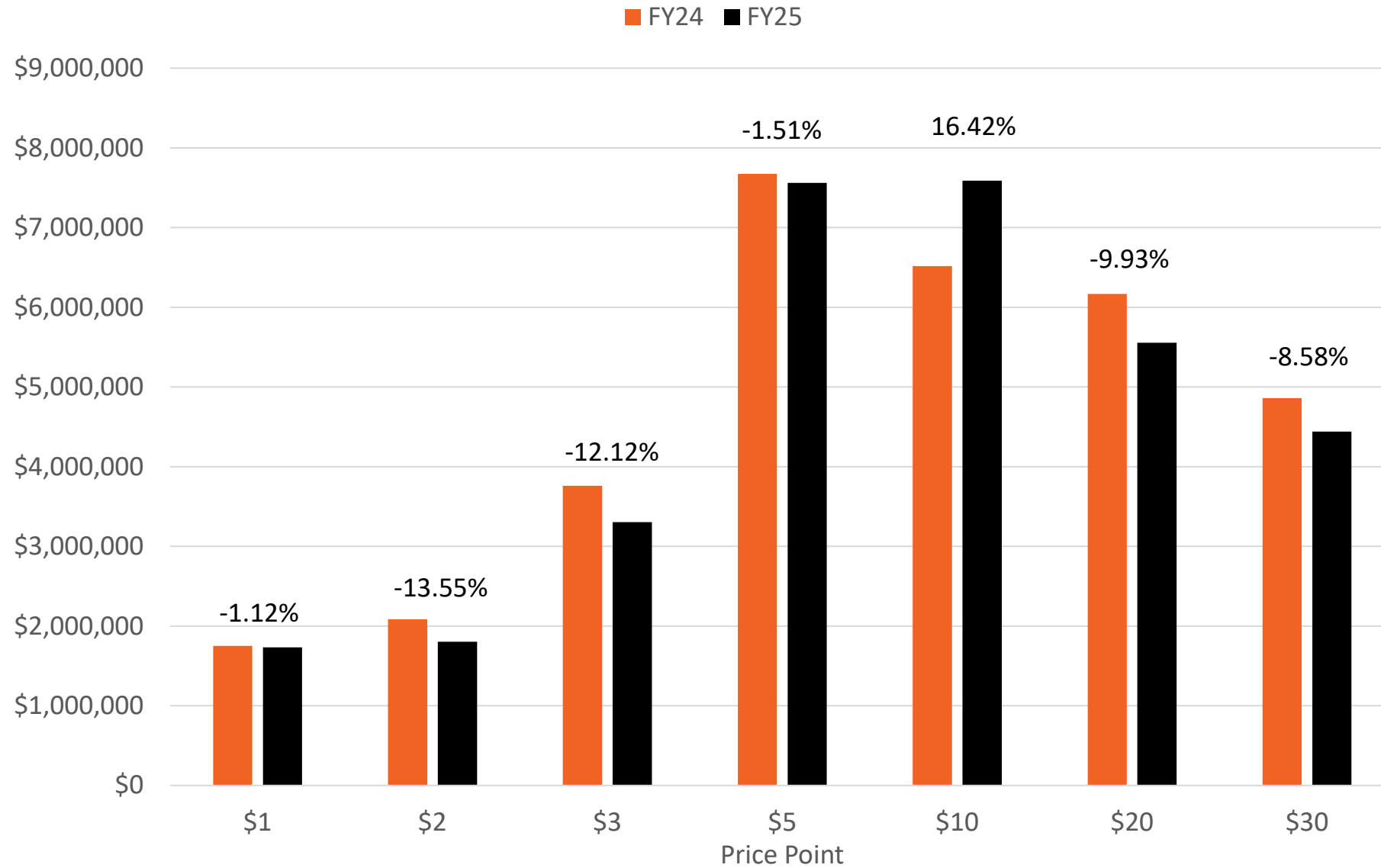


FY2025 Review

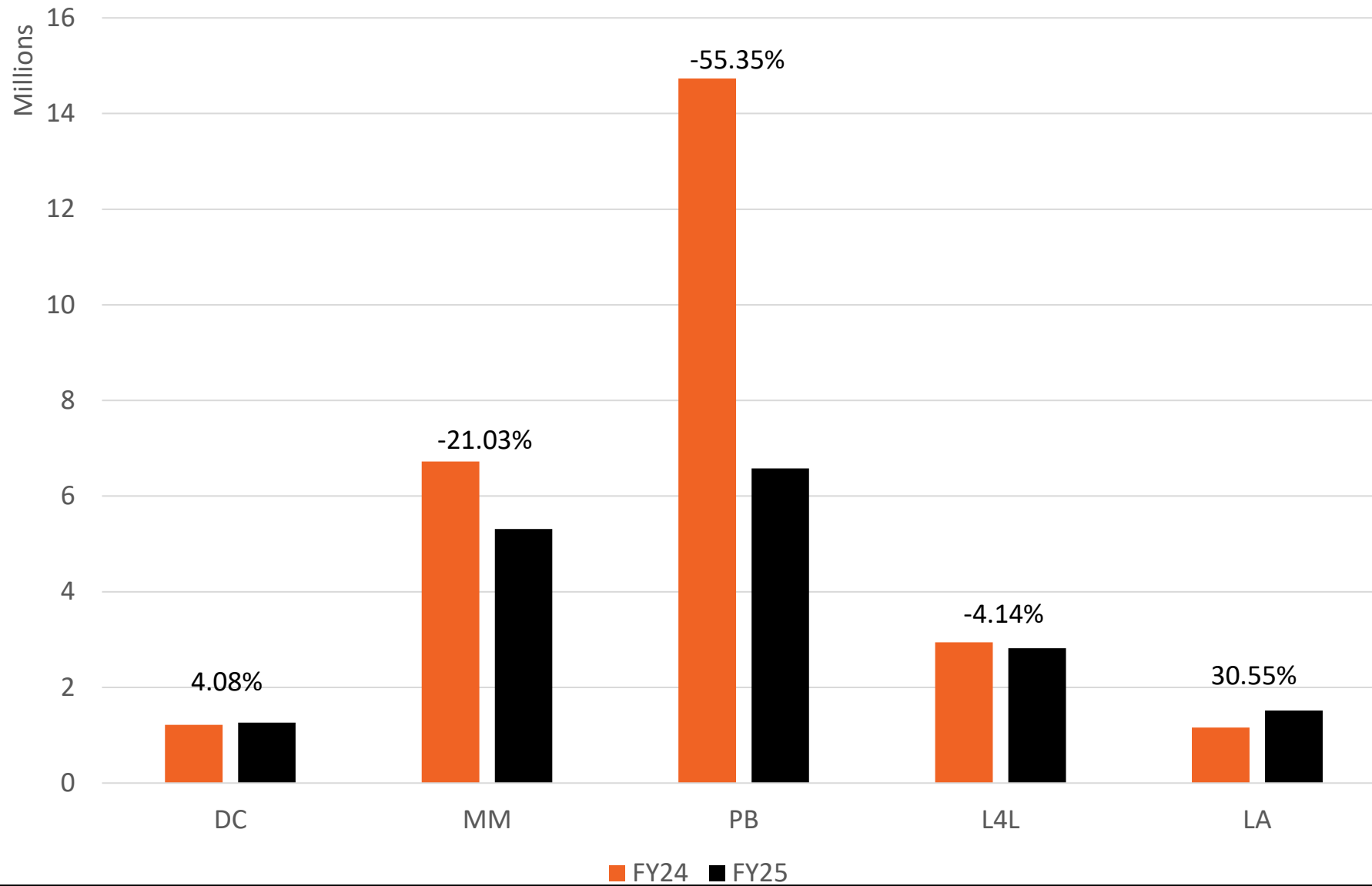


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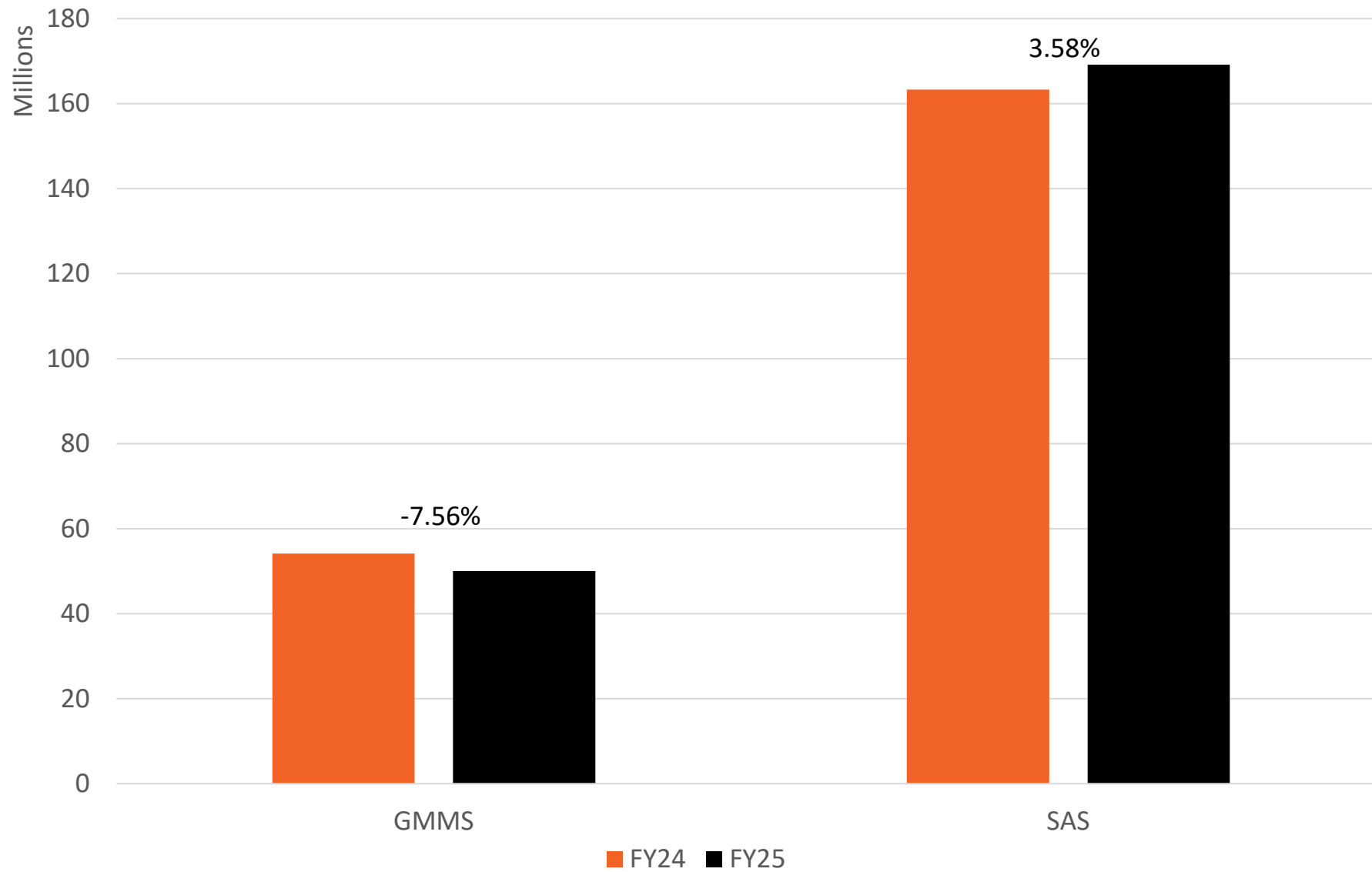
Fiscal Year Instant Sales by Price Point



Fiscal Year Sales by Lotto Game



Fiscal Year Video NMI



Marketing Report



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Mega Millions

- Mega Millions sales for the new game begin April 5.
- The average prize has been multiplied by nearly 3.
- The Multiplier has added \$517,713 in total prizes!



Starting April 5, 2025



**BIGGER
THAN EVER**
NOW WITH MULTIPLIER INCLUDED
HIGHER JACKPOTS
BIGGER LOCAL WINS AT ALL LEVELS

Double Your Luck Days

- Players could buy a Mega Millions quick pick and get a free Powerball quick pick.
- The promotion took place on Tuesdays and Friday from May 16-27.
- The campaign was utilized 14,788 times.



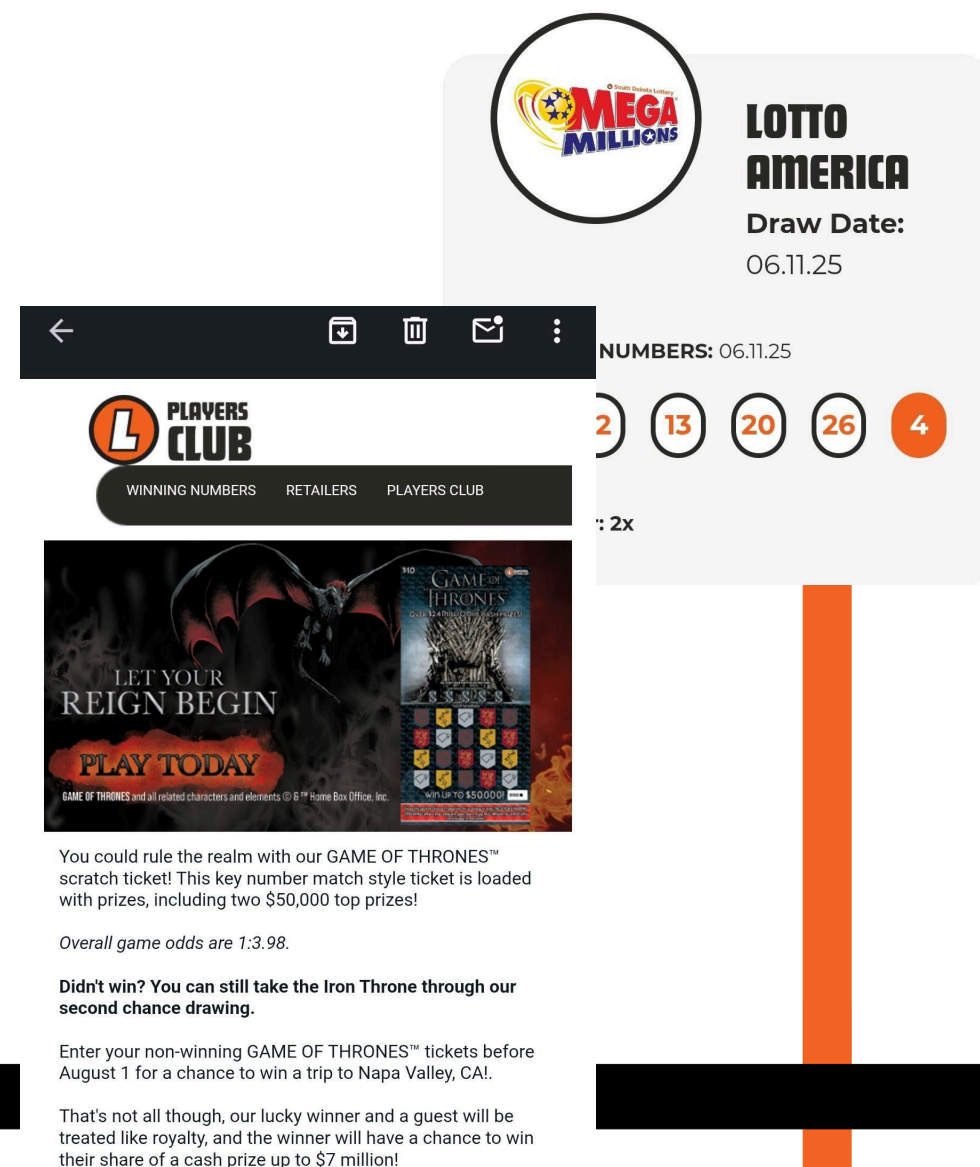
FY 26 Planning

- Discussed plans to market upcoming scratch tickets, lotto games and digital components.
- Our first component of this is a series of research that includes focus groups and an online Players Club series.
- This will help shape our strategy for fiscal year 2026 and beyond.



FY 25 Review

- Paid media efforts generated more than 52 million impressions!
- User generated videos created strong engagement with high click rates.
- More than 2.5 Players Club Emails sent.
- Garnered more than 1.7 million website views



MEGA MILLIONS

LOTTO AMERICA

Draw Date: 06.11.25

NUMBERS: 06.11.25

2 13 20 26 4

2x

LET YOUR REIGN BEGIN

PLAY TODAY

GAME OF THRONES and all related characters and elements © & TM Home Box Office, Inc.

WIN UP TO \$50,000!

You could rule the realm with our GAME OF THRONES™ scratch ticket! This key number match style ticket is loaded with prizes, including two \$50,000 top prizes!

Overall game odds are 1:3.98.

Didn't win? You can still take the Iron Throne through our second chance drawing.

Enter your non-winning GAME OF THRONES™ tickets before August 1 for a chance to win a trip to Napa Valley, CA!

That's not all though, our lucky winner and a guest will be treated like royalty, and the winner will have a chance to win their share of a cash prize up to \$7 million!

Telly Awards

- The Telly Awards honor regional and local television and video ads.
- We received Gold honors for our “Delivery Guy” series
- We received silver honors for our holiday scratch tickets and winner awareness spots.





SOUTH DAKOTA
LOTTERY™