

**Special Legislative and Games Committee
Meeting Minutes**

Held on
Thursday, June 2, 2016
10:45 a.m.

at the
Connecticut Lottery Corporation
777 Brook Street
Rocky Hill, Connecticut 06067

Committee Members Present: Margaret Morton, Chair of the Legislative and Games Committee; Meghan Culmo; Robert Morgan; Diane Winston (via teleconference); and Natasha Pierre (via teleconference).

Staff Members Present: Anne M. Noble, President & CEO; Michael Hunter; Diane Patterson; Chelsea Turner; Lana Glovach; Paul Granato; Rebecca Lambert; and Cynthia Hadden.

Call to Order: Ms. Morton called the meeting to order at 10:48 a.m.

I. Approval of Minutes:

On a motion made by Mr. Morgan and seconded by Ms. Culmo, the minutes from the April 13, 2016 Special Legislative and Games Committee Meeting were unanimously approved. Ms. Pierre abstained from the vote.

II. Sales Performance and Game Update:

Using sales charts, Ms. Diane Patterson, Vice President of Sales and Marketing, provided the following report for the period ended May 31. All sales figures are unaudited estimates.

- Regarding All Games, sales are at \$1.13 billion year to date. The CLC anticipates that the amount of sales in the budget of \$1.16 billion will be reached on or around June 11, 2016.
- Sales for CT Games are at \$985 million year to date, or 3.8% ahead of budget.
- Multi-State Games are at \$145 million year to date, or 22.7% ahead of budget. The current Powerball jackpot is approximately \$110 million, and the current MegaMillions jackpot is approximately \$200 million.
- Average sales are at \$23.5 million per week in FY16, compared to \$21.8 million per week in FY15. General Fund transfers are currently at \$308 million year to date, or 8.7% ahead of budget.
- Instant Games are doing very well, with sales at \$683 million year to date, or 9.6% ahead of budget. The CLC launched a new game on May 31, 2016 called "Escape to

- Margaritaville", which is a licensed property. The CLC will explore the options for more licensed property games in FY17.
- Play3 and Play4 Day and Night Combined sales are at \$226 million year to date, or 9.4% ahead of budget.
 - Play3 Day sales are at \$50 million year to date.
 - Play4 Day sales are at \$44 million year to date.
 - Play3 Night sales are at \$68 million year to date.
 - Play4 Night sales are at \$64 million year to date.
 - Lotto's sales are at \$18 million year to date, or 1.8% behind budget. This can be attributed in part to the \$5.2 million jackpot that was won in April.
 - Cash5 sales are at \$28.6 million year to date, which is right on track with budget.
 - Lucky Links with 2XPOWER sales are at \$9.4 million year to date. The slight decline in sales in May could be attributed to players shifting their focus from this game to Keno. The CLC will continue to monitor sales of this game.
 - Keno sales are at \$7.2 million since the game launched in April. There are currently 343 monitor locations, which is approximately 12% of the retailer base. Approximately 44% of Keno tickets sold include the Bonus Multiplier option.
 - Multi-State Game sales are at \$145 million for the year, and jackpots for both Powerball and Mega Millions are on the rise.
 - Powerball currently has a jackpot of \$110 million. Ms. Patterson noted that reason for the increased sales in May of FY13 was a \$590 million jackpot at that time.
 - Mega Millions currently has a \$251 million jackpot. This jackpot has been growing since March 8, 2016, and has taken 23 rolls to get to the current level.
 - Lucky for Life sales are at \$19.9 million for the year. Since the current game launched in January 2015, there have been 3 top prize winners and 60 second prize winners. To date, the game has had 14.8 million winning experiences.
 - Ms. Patterson also noted that there is a winning Powerball ticket that is expiring at midnight today, June 2. She let the Committee know about the advertising efforts that have been made to make the public aware of the expiring prize.

This concluded the Sales Performance and Game Update.

III. Executive Session:

On a motion made by Mr. Morgan and seconded by Ms. Culmo, the Committee moved into Executive Session at 11:04 a.m. Ms. Morton invited Ms. Noble, Ms. Turner, Ms. Patterson, Ms. Glovach, Mr. Granato and Mr. Hunter to stay for the Executive Session related to New Lottery Games.

The Committee reconvened into regular session at approximately 11:45 a.m. Ms. Morton noted that no actions or votes were taken during Executive Session.

IV. Old Business:

No Old Business was discussed.

V. New Business:

Ms. Turner provided the Committee with the following Capitol Update:

- The CLC opposed an amendment to the Governor's second chance bill, which would have raised the legal age to purchase lottery tickets from 18 years old to 21 years old. The CLC opposed this amendment because it would have negatively impacted the CLC's General Fund transfers. Neither the bill nor the amendment were called, so the amendment died without a vote.
- The CLC also monitored Senate Bill 192, An Act Concerning Daily Fantasy Sports, which ultimately became part of the Democrats' Finance package. There was some speculation that Senate Bill 192 or similar language to regulate daily fantasy sports would be included in a budget implementer. This did not happen.

This concluded the Capitol Update.

VI. Adjournment:

On a motion made by Mr. Morgan and seconded by Ms. Pierre, the meeting adjourned at 11:48 a.m.

Respectfully Submitted:

Chelsea Turner
Corporate Secretary
Connecticut Lottery Corporation