

December 12, 2019

Courtney Crowder, Chairperson

VIA E-Mail & Delivery to the NC Lottery Commission Offices

Dear Mr. Crowder:

The North Carolina Justice Center respectfully writes to urge the Commission not to take up or approve the expansion of on-line gaming options. The promise of increased revenue is unlikely to be fully realized while the harms to families, communities, and businesses would be real.

The NC Justice Center is a non-profit, non-partisan organization working to advance policies and support the systems that expand economic opportunity and ensure every community in our state can thrive. Our organization is data-driven in our approach and since our inception has worked to ensure federal and state anti-poverty programs are implementing best practices effectively, efficiently, and equitably.

At the time the lottery was established, we worked across ideological lines to demonstrate the potential harm of a lottery to the state's residents and the unsustainable, diminishing returns of the lottery as a revenue source for education. Our position has been borne out by the experience to date.

- The purchase of lottery tickets is highest in the state's highest poverty counties and the per capita dollar sales of lottery tickets represents a month's worth of groceries for a family living in poverty (also see this link).
- Lottery funds have been used to supplant rather than supplement the state's commitment to
   public education, failing to drive revenue towards the expanded investment necessary to secure
   every child's constitutional right to a sound, basic education, and ultimately more boldly a
   quality, equitable one. As noted by the Tax Policy Center, even in times when the North Carolina
   lottery revenue increased, public education also experienced deep cuts.
- Lottery funds do not keep up with the growth of needs and the growth in the economy, and
  efforts to expand advertising or options are unlikely to counterbalance this overall trend. Lottery
  funds across the country represent just 1 percent of revenue collected and are unlikely to grow
  beyond.

The specific goal of expanding gaming options is not a fix to the underlying limits and harms that the lottery creates for families and communities. Moreover, proposed limits on account funding are insufficient at \$2,000 a week or \$4,000 a month, as being discussed, to protect people from debt and potential predatory practices that could come with it.

The evidence is clear that <u>on-line games are even more regressive</u> than typical Powerball lottery games and that there are <u>significant harms not just to families</u> but to the stability and well-being across generations.

Please feel free to contact me with any questions you any Commission member may have.

Thank you for your attention to this very important matter.

Yours truly,

Rick Glazier, Executive Director

Kich Slag-

Rick@ncjustice.org // (919) 856-3193.

Cc: By Delivery to: NC Lottery Commission Offices

2728 Capital Blvd., #144

Raleigh, NC 27604

Mr. Richard E. Bengel

Mr. Nick Picerno

Mr. Morgan Beam

Mr. Jody Tyson

Mr. Chris L Shew

Mr. Jason Roth

Mr. Randy Jones

Ms. Felicia Adams and by e-mail